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Governmental Affairs

NEW YORK TIMES
27 November 1973

Excerpts From White House Analysis and Executive Privilege Claims for Tapes

Special to The New York Times

WASHINGTON, Nov. 26—Following are excerpts from the White House analysis and claims of executive privilege for subpoenaed tape recordings, submitted today to United States District Judge John J. Sirica.

PART I

Item 1 (A) of the subpoena relates to meeting of June 20, 1972, in the President's Executive Office Building ("EOB") office involving Richard Nixon, John Ehrlichman and H. R. Haldeman from 10:30 A.M. to noon (time approximate).

The President's daily diary log for June 20, 1972 (Exhibit 13), shows that the President met alone with his assistant John D. Ehrlichman, from 10:25 to 11:30 A.M. in his "EOB" office. Subsequently, the President met with his assistant, H. R. Haldeman from 11:26 A.M. to 12:45 P.M. in his "EOB" office.

Conversation between the President and John D. Ehrlichman, from 10:25 to 11:20 A.M. in the President's "EOB" office.

This conversation relates primarily to the higher education bill then under consideration by the Congress. Other subjects discussed include school busing, the Supreme Court decision (U. S. v. U. S. District Court) on national security wiretapping, press conferences and press formats, legislative action on proposals for welfare reform and the Stockholm conference on environment. During the conversation, the President conversed on the telephone with a deputy assistant, Edward L. Morgan, about the higher education legislation.

There is no discussion or comment which relates, either directly or indirectly, to the incident at the Democratic National Committee offices at Watergate which occurred a few days prior to the conversation.

The conversation recorded on this tape consists of advice to the President by his then senior assistant for domestic affairs on official policy decisions then pending before the President, and the conveyance to the President by his assistant of the advice of other identified persons within the Administration on the same matters. Nothing in the conversation relates to Watergate or anything connected therewith.

The President believes that the conversation is subject in its entirety to a claim of executive privilege in order to protect the confidentiality of advice given to the Presi-

dent. There is nothing in this conversation "concerning possible criminal conduct or discussions of possible criminal conduct" as to testimony concerning which the President announced he would not invoke executive privilege on May 22, 1973.

Haldeman-Nixon

Conversation between the President and his assistant, H. R. Haldeman, from 11:26 A.M. to 12:45 P.M. in the President's "EOB" office.

This conversation was recorded on tape by the sound-actuated recording system described in testimony in the evidentiary hearing held by this court, and the tape recording is being submitted as Item 1.B.1. covered by the subpoena.

This conversation relates primarily to scheduling and travel. For a portion of this recording, in lieu of any audible conversation, there is a constant hum. (See "B.1. (c), below.) At one point during the meeting the President spoke on the telephone to his daughter, Julie. None of the recorded conversation relates to Watergate.

There is a lapsed playing time on the tape of approximately 3 minutes and 10 seconds, during which the President requests consommé and speaks to the steward about minor administrative matters. The tape records various noises of movement. The playing of the tape recording from the point where H. R. Haldeman enters the office to his departure is approximately 54 minutes and 49 seconds. The playing time of the tape preceding significant portions of the conversation are as follows:

EVENT—Playing time from beginning of recording of this conversation.

Start of "hum" signal: 3 minutes 40 seconds.

End of "hum" signal: 21 minutes 55 seconds.

Telephone conversation: 47 minutes 0 seconds.

It is believed that the hum which occurs approximately 3 minutes and 40 seconds from the beginning of this conversation between President Nixon and H. R. Haldeman, and which continues for approximately 18 minutes and 15 seconds, was caused by the depression of a record button during the process of reviewing the tape, possibly while the recorder was in the proximity of an electric typewriter and a high intensity lamp.

The incident was detected and reported when made to the President, and shortly

thereafter to White House counsel, J. Fred Buzhardt, as having occurred on a portion of the tape recording subsequent to that of the meeting between the President and John Ehrlichman, which at that time and until November 14, 1973, was believed to be the only part of that recording subpoenaed. The incident was therefore believed to be inconsequential.

The delay in discovering that the incident affected a portion of the tape containing a subpoenaed conversation was due to the ambiguity of the language of the subpoena. The applicable portion of the subpoena, dated July 23, 1973, is:

"1. All tapes and other electronic and/or mechanical recordings or reproductions, and any memoranda, papers, transcripts and other writings, relating to:

"(A) Meeting of June 20, 1972, in the President's Executive Office Building ("EOB") office involving Richard Nixon, John Ehrlichman and H. R. Haldeman from 10:30 A.M. to noon (time approximate)."

In the remainder of the subpoena applicable to tape recordings, each separate meeting is subpoenaed as a separate item. Accordingly, Item (a) of the subpoena was initially assumed to be applicable to only one meeting.

An examination of the President's daily log revealed that there was no meeting with the President on the morning of June 20, 1972, in which both Mr. Ehrlichman and Mr. Haldeman participated.

Mr. Ehrlichman, however, met with the President from 10:25 A.M. to 11:20 A.M. This meeting most nearly coincided with the time specified in the subpoenas.

Testimony by 2 Aides

In addition, the public testimony given by Messrs. Haldeman and Ehrlichman indicated that it was Mr. Ehrlichman's conversation in which the special prosecutor would have an interest.

White House counsel is not aware of any testimony given by Mr. Haldeman relating to a meeting with the President on June 20, 1972.

Mr. Ehrlichman, however, was examined in some detail by the Senate Select Committee on his meeting with the President on June 20. On July 24, 1973, Mr. Ehrlichman testified, in answer to questions by Senator Baker, that he had no recollection or notes of having discussed Water-

gate at this meeting with the President, but rather, met with the President because he "needed some decisions and some marching orders" on a particular legislative subsequently, on July 30, 1973, Mr. Ehrlichman testified:

"I told Senator Baker, I believe, the other day that Watergate was not discussed at the meeting and since then I have rechecked what sketchy notes I have and I find I was in error on that. I am sure there must have been some discussion of the Watergate with the President on that occasion on the 20th."

Memorandum of Prosecutor

It was not until the evening of Wednesday, November 14, 1973, when copies of the subpoenaed tapes were provided for White House counsel's use in preparing the index and analysis required under the court's direction, that all materials remotely relating to the subpoenaed conversations were reviewed to assist in preparing the analysis. Among the materials then reviewed was the opinion of the United States Court of Appeals for the District of Columbia, Nixon v. Sirica, decided October 12, 1973, Appendix II, beginning at page 48 of the opinion is a memorandum filed by the special prosecutor with this court on August 13, 1973. The first numbered item of that memorandum is as follows:

"1. Meeting of June 20, 1972. Respondent met with John D. Ehrlichman and H. R. Haldeman in his old Executive Office Building office on June 20, 1972, from 10:30 A.M. until approximately 12:45 P.M. There is every reason to infer that the meeting included discussion of the Watergate incident. The break-in had occurred on June 17—just three days earlier. Dean did not return to Washington until June 18. Mitchell, Haldeman and LaRue had also been out of town and did not return until late on June 19.

"Early on the morning of June 20, Haldeman, Ehrlichman, Mitchell, Dean and Attorney General Kleindienst met in the White House. This was their first opportunity for full discussion of how to handle the Watergate incident, and Ehrlichman testified that Watergate was indeed the primary

subject of the meeting. From there, Ehrlichman and then Haldeman went to see the President. The inference that they reported on Watergate, and may well have received instructions, is almost irresistible. The inference is confirmed by Ehrlichman's public testimony that the discussion with respondent included both Watergate and Government wiretapping. The contemporary evidence of that meeting should show the extent of the knowledge of the illegal activity by the participants or any effort to conceal the truth from the respondent."

Only the most careful reading of even this memorandum discloses that the special prosecutor seeks a recording of more than one meeting on June 20, 1972. Only two indicators are present. First, the ending time of the "meeting" in the memorandum is 12:45 P.M., rather than the approximation of "noon" as specified in the subpoena. Second, the word "then" in the sentence "From there, Ehrlichman and then Haldeman went to see the President" indicated the special prosecutor sought recordings of two sequential meetings.

Inquiry to Buzhardt

White House special counsel J. Fred Buzhardt received an inquiry on September 23, 1973, as to the conversation covered by the first item of the subpoena, to which he replied that the conversation at the meeting with Ehrlichman was what was involved, and that the special prosecutor must have been mistaken in assuming that Haldeman also was in the meeting. This response was relayed to the President and to Mr. Steve Bull.

The conversation on the tape recording of the meeting between H. R. Haldeman and the President consists of advice to the President by a senior adviser on official decisions then pending before the President. None of the conversation recorded relates to Watergate.

The President believes that the conversation is subject in its entirety to a claim of executive privilege in order to protect the confidentiality of advice given to the President. There is nothing in this conversation "concerning possible criminal conduct" or discussions of possible criminal conduct" as to testimony concerning which the President announced he would not invoke executive privilege on May 22, 1973.

A file search has disclosed handwritten notes of H. R. Haldeman, which from the identifying marks and the content indicate the notes were made by H. R. Haldeman during the meeting with the President on June 20, 1972, between 11:26 A.M.

and 12:45 P.M. The notes are on two pages of paper from a yellow legal pad. These notes are being submitted. The notes reflect that the President gave instructions to Mr. Haldeman to take certain actions of a public relations character which related to the Watergate incident.

PART II Mitchell Phone Conversation

Item 1 (b) of the subpoena relates to "telephone conversation of June 20, 1972, between Richard Nixon and John N. Mitchell from 6:08 to 6:12 P.M."

The only material relating to this conversation is a dictating belt of his recollections dictated by the President as a part of his personal diary on June 20, 1972, at 8:30 P.M., in which the President referred to his telephone conversation with John N. Mitchell. That portion of the dictating belt to and including the reference to the telephone conversation with John N. Mitchell is being submitted.

That portion of the dictating belt on which the President dictated recollections of the conversation with John N. Mitchell does contain references to Watergate.

The President's comments relating to the Mitchell conversation begin at 2 minutes 22 seconds playing time from the beginning of the dictating belt and end at 2 minutes 45 seconds playing time from the beginning of the dictation.

PART III

June 30 Meeting

Item 1(c) of the subpoena relates to a "meeting of June 30, 1972, in the President's 'EOB' office, involving Messrs. Nixon, Haldeman and Mitchell from 12:55 to 2:10 P.M."

This conversation, recorded on tape, occurred at a luncheon in the President's "EOB" office, attended by President Nixon, John N. Mitchell and H. R. Haldeman, on June 30, 1972, immediately prior to the announcement of the resignation of John N. Mitchell as chairman of the Committee to Re-elect the President and the appointment of Clark MacGregor as his successor.

primarily to the reasons for the timing of, and the procedures for, Mitchell's announcement of his resignation, and the choice and announcement of his successor. There are a few passing and collateral references to Watergate which are not substantive. There is an incoming telephone call just prior to the conversation. At the end of the conversation, the President indicates his intention to take a short nap.

The playing time for the tape recording of this conversation is approximately one hour 9 minutes and 44 seconds.

The conversation recorded consists of advice to the President by his senior staff assistant and his former Attorney General relating to matters which had a direct bearing on the President's ability to operate his office and conduct his official business at that time. The conversation includes discussions of highly personal matters.

The President believes that the conversation is subject in its entirety to a valid claim of executive privilege in order to protect the confidentiality of the matters discussed. There is nothing in this conversation "concerning possible criminal conduct" as to testimony concerning which the President announced he would not invoke executive privilege on May 22, 1973.

PART IV

Item 1 (d) of the subpoena relates to a "meeting of September 15, 1972, in the President's Oval Office involving Mr. Nixon, Mr. Haldeman and John W. Dean 3d from 5:27 to 6:17 P.M."

This conversation was recorded on tape. John W. Dean 3d, then counsel to the President, entered the President's Oval Office at approximately 5:27 P.M. On September 15, 1972, during a meeting then in progress between the President and his assistant, H.R. Haldeman. He remained in the Oval Office, as did the President and Mr. Haldeman, until approximately 6:17 P.M., at which time the President left by automobile for the Washington Navy Yard.

Earlier in the day, the grand jury had returned indictments on seven persons

in connection with the entry into the Democratic National Committee offices at the Watergate apartments.

For the first approximately 33 minutes and 9 seconds after Dean entered the Oval Office, the conversation involves subjects directly or indirectly related to the Watergate matter. Included are discussions of the indictments, the time of the pending trials, the civil cases connected with the incident and potential Congressional committee inquiries into the matter, as well as press coverage of the matter. After the first approximately 33 minutes and 9 seconds of the conversation, the conversation turns to other subjects within the President's official cognizance not directly or indirectly related to the Watergate matter.

The playing time for the tape recording of this conversation is approximately 48 minutes 44 seconds. The only significant event is the end of discussion of Watergate related matters approximately 33 minutes and 9 seconds playing time from the beginning of the recording.

The President believes that the conversation recorded following the first 33 minutes 9 seconds of playing time is subject to a claim of executive privilege in order to protect the confidentiality of the advice and counsel provided to the President.

PART V

March 13 Meeting

Item 1(e) of the subpoena relates to a "meeting of March 13, 1973, in the President's Oval Office involving Messrs. Nixon, Dean and Haldeman from 12:42 to 2:00 P.M."

ARMED FORCES JOURNAL

October 1973

McCord Silenced

IN AUGUST, AFJ published the first of what was planned to be three articles by James W. McCord detailing the Nation's intelligence agencies and their conduct of the Watergate affair. The first article, which was quoted in the international press as well as U.S. news services and the Select Senate Committee on Watergate, was probably the last. On 5 September, Judge John Sirica issued an order banning all public comments by McCord, who at the time was on a college lecture circuit. McCord has informed AFJ that he has interpreted this to mean no written articles as well and has asked that we withhold publication of the second article which he had already submitted to AFJ. With reluctance, AFJ has acceded to McCord's wish.

NEW YORK TIMES
27 November 1973

MISS WOODS SAYS SHE CAUSED 'GAP' IN TAPE BY ERROR

President's Secretary Tells
Court of Her Erasure in
Subpoenaed Recording

NIXON-HALDEMAN TALK

Sirica Gets Transcriptions
for Protective Custody
Pending Examination

By LESLEY OELSNER

Special to The New York Times

WASHINGTON, Nov. 26—President Nixon's personal secretary testified today that through some "terrible mistake" she had pressed the wrong button on her tape recorder and thus caused an 18-minute "gap" in one of the subpoenaed Watergate tape recordings.

She said that she had told the President of the error minutes after it occurred last Oct. 1 — and that he had assured her it did not matter.

"He said, 'There's no problem because that's not one of the subpoenaed tapes,'" the secretary, Rose Mary Woods, testified in Federal Court here.

Mr. Nixon did remark that "it was too bad," Miss Woods recounted. But he told her that he understood, she testified, and said to her, "Don't worry about it."

Talk With Haldeman

The conversation whose tape recording has an 18-minute erasure—or "gap," as Miss Woods insisted on describing it—was a discussion between Mr. Nixon and H. R. Haldeman, one of his former key aides, on June 20, 1972, three days after the break-in at Democratic headquarters in the Watergate building.

The White House did not disclose the 18-minute gap on the tape until last Wednesday. It has maintained that it did not know that the conversation in question was covered by the subpoena until Nov. 14, a week earlier.

According to the White House, there was an "ambiguity" in the subpoena issued by the special Watergate prosecution for the President's Watergate-related tape recordings. As a

result, the White House contends, the Presidential counsel first believed that the special prosecution wanted only the recording of an earlier June 20 Presidential conversation—one with John D. Ehrlichman, also a former Nixon aide.

Tapes Given to Judge

The White House today turned over the disputed tape recordings and other materials to Chief Judge John J. Sirica of the Federal District Court here, who asked last week, in the wake of the disclosure of the 18-minute gap, that they be given to the court for protective custody pending examination by technical experts.

With the material, the White House turned over as well a 22-page "index and analysis" of what it was providing the court. And according to the document, the June 20 conversation between Mr. Nixon and Mr. Haldeman included a discussion of Watergate-related public relations measures.

The White House was giving Judge Sirica Mr. Haldeman's "handwritten notes" of the meeting, the document said, and the notes "reflect that the President gave instructions to Mr. Haldeman to take certain actions of a public relations character which related to the Watergate incident."

The United States Court of Appeals here, which ruled in October that the President must comply with the subpoena, had left open the possibility that Mr. Nixon could still make "particularized" claims of executive privilege regarding certain portions of the material covered by the subpoena.

In its index and analysis today, prepared in accordance with the court of appeals' instructions, the President maintained that various conversations covered by the subpoena involved non-Watergate matters and thus were privileged.

In discussing one of the disputed conversations, moreover, the White House said in the document that the talk should not be disclosed even though it involved Watergate. This was a conversation on June 30, 1972, by Mr. Nixon, Mr. Haldeman and John N. Mitchell shortly before the announcement that Mr. Mitchell was resigning as chairman of the Committee for the Re-election of the President.

"There are a few passing and collateral references to Watergate which are not substantive," the document asserted.

Judge Sirica must now rule on whether or not to accept the President's assertions of privilege.

Miss Woods testified today that Alexander M. Haig, the President's chief of staff, had told her on Sept. 29 that she need transcribe only the portion of the June 20 tape covering the President's discussion with Mr. Ehrlichman.

The document presented by the White House, for its part,

repeats the White House contention that it was believed "until Nov. 14" that the second portion of the tape was not under subpoena. The document

also supports Miss Woods's statement that she reported her mistake immediately, saying, "The incident was detected and reported when made to the President, and shortly thereafter to the White House counsel, J. Fred Buzhardt."

At a briefing today, however, Gerald L. Warren, deputy White House press secretary, contradicted these statements. Mr. Warren said that the President was told "shortly before leaving" on his recent Southern trip that there was a problem with the June 20 tape. When Mr. Nixon returned here, Mr. Warren said, he inquired about the problem and was told that there was an 18-minute gap.

Miss Woods has been Mr. Nixon's secretary for 22 years, working for him and, when need be, fiercely defending him. Today, her face and voice seeming sometimes tense and at other times appearing to be annoyed, she gave an account that observers considered as favorable to the President as the situation allowed.

Transcribed Tapes

She said that she was with the President at Camp David the last weekend of September, and that her task was the transcription of the tapes for his future reading. He listened to the June 20 tape for just a few minutes that weekend, she said, "pushing buttons back and forth." His comment, she said, was, "I don't see how you're getting any of this, it's so bad."

She spent the weekend working on the Ehrlichman portion of the June 20 tape, she said, and went back to the White House Oct. 1 with the task incomplete.

She was in her office listening to the tape and, waiting to hear some indication that Mr. Ehrlichman had left the room, she heard the beginning of the Haldeman-Nixon conversation, she related.

Then she said, her telephone rang. She reached to answer it, and, "through some error, in some way," she "pushed the record button down."

Miss Woods's testimony about what followed was somewhat confused. She said first that she did not know whether,

she had also had her foot on the foot pedal or whether the record button had instead stuck; later she said she "must have" kept her foot on the pedal.

"The machine she was using, introduced in court today, was a model called the Universal 5000 produced by Uher."

The "record" button is next to the "stop" button.

John Madaris, chief engineer for the U.S. Recording Company in Washington, which is the distributor of Uher tape recorders, said it was "definitely" possible for Miss Woods to have erased the tape.

"She could have rewound the machine at a very high speed while the 'record' button was down," Mr. Madaris said. "It would only have taken a minute and a half to erase 18 minutes of tape."

A foot pedal presented in court this morning as the one used by Miss Woods was not the Uher model, which would have had to be pressed for 18 minutes for an erasure.

"It wouldn't make much sense" to use a different foot pedal with the singular ability to play the tape forward, Mr. Madaris said. "One of the main attractions of the Uher 5000 is its versatility for transcribing. It seems ridiculous not to use the pedal that can go forward and backward," he said.

Judge Sirica was plainly disturbed by Miss Woods's testimony, and drew from her the concession that when she testified before him on Nov. 8, she had made no mention of the 18-minute erasure.

He also asked Mrs. Vollner of the Watergate prosecution to read from the Nov. 8 transcript what Miss Woods had said about "precautions" she had taken regarding the tapes.

"Everyone said to me," he careful, Miss Woods testified, "I don't think I'm so stupid that they had to go over and over it. I used every possible precaution."

"What precaution?" Mrs. Vollner asked then.

"I used my head, the only one I had to use," came the answer.

Miss Woods is to testify again tomorrow.

NEW YORK TIMES
29 November 1973

Anti-Erasure Safeguards Of Tape Device Detailed

By VICTOR K. McELHENY
Special to The New York Times

WASHINGTON, Nov. 28—The tape recorder that President Nixon's personal secretary, Rose Mary Woods, has testified she used to transcribe a conversation of June 20, 1972, between the President and his former chief of staff, H. R. Haldeman, has built-in protections against inadvertent erasures.

An independent examination and test with such a machine today showed that to cause an erasure, two simultaneous mistakes must be made, whether the machine is operated by hand or by using a foot treadle.

Experiments in using the machine, however, show that the small, transformer-equipped, high-intensity lights that Miss Woods uses on her White House desk and typing table are capable of generating the kind of sustained hum that was heard during the 18-minute gap yesterday when a copy of the tape was played in Chief Judge John J. Sirica's courtroom.

Miss Woods testified today that she never used the Uher Universal 5000 tape recorder before Oct. 1, the day that Stephen Bull, a White House aid, brought her the high fidelity equipment, and the day that she said at least four to five minutes worth of the gap was created.

She repeated her contention that she used the unfamiliar equipment, frequently interrupted by telephone calls on several lines, in a state of fatigue induced by 29 hours of weekend work at Camp David in Maryland, in transcribing a nearly inaudible tape that included a conversation on June 20, 1972, between the President and his former White House chief of staff, H. R. Haldeman.

A section of the recording was obliterated, Miss Woods testified, when, at the start of a telephone call, she inadvertently depressed the light gray "recording" key on the Uher's control keyboard, while keeping her foot down on the Fidelitape FP-10 treadle she was using to advance and rewind the tape for transcription.

An independent test today showed that when the Uher is operated as Miss Woods said, an erasure occurs.

By aiming her finger at the dark gray "stop" key and hitting the adjacent "recording" key instead, Miss Woods, with

25 years experience as a secretary, appears to have overridden a standard protection used by secretaries who are accustomed to depressing a foot-treadle so that both hands are free for typing a tape transcript.

Two-Button Treadle

In other words, during transcription using a foot treadle, a secretary need not touch the control keyboard at all. To stop the advance of the tape, all the secretary must do is remove her foot from the treadle.

There is a similar "fail-safe" feature for most tape recorders when they are operated by hand. Both a tape-advancing and recording button usually must be depressed. On the Uher, these keys are far enough apart to normally require using one finger of each hand.

For most tape recorders, the foot-treadle for transcribing does not involve recording at all, but merely advancing and rewinding the tape. The treadle supplied by Uher has two buttons, one for each operation. The Fidelitape has a large plate for advancing, and a projecting, perpendicular rewind bar just to the right.

The treadle used by Miss Woods takes only slight pressure to operate. It is also easy to release. During a courtroom demonstration yesterday, after a simulated telephone call interruption, Miss Woods took her foot off the treadle quickly, indicating this may be a natural reaction.

Photographs showing Miss Woods seated at her White House desk and typint table, which were exhibited in court today, indicate that Miss Woods had to stretch as she answered a telephone call on a call-director at the upper left-hand corner of her desk. The indication was that some contortion was needed to keep the toe of a shoe on the treadle.

Because Miss Woods recalls only a four-to-five-minute interval of inadvertent erasing on Oct. 1, and because of a slight change in the tone of the hum about five minutes into the "gap," there has been speculation that there may have been two intervals of erasing. Little information about this emerged during today's testimony.

An independent test today showed that both tones could have been caused by a high-intensity lamp that Miss Woods kept on her typing table. The lamp, called a Tensor 6500, contains a transformer that creates an electronic interference that can produce a hum on tape.

Miss Woods testified today that tapes subpoenaed for Watergate investigation were in her custody from late September to

NEW YORK TIMES
29 November 1973

NIXON'S AIDE SAYS ADDITIONAL TAPES HAVE BLANK SPOTS

But Buzhardt Declares the
Gaps of Several Minutes
Are 'Not Surprising'

PROSECUTOR SKEPTICAL

Spokesman for White House
Insists That 7 Subpoenaed
Talks Remain Intact

By LESLEY OELSNER
Special to The New York Times

WASHINGTON, Nov. 28—One of President Nixon's attorneys testified in Federal District Court here today that there were a "number" of blank sections lasting several minutes each on subpoenaed White House tape recordings.

The attorney, J. Fred Buzhardt Jr., termed this disclosure unimportant, telling reporters at the midafternoon recess, "Don't get excited," and testifying later that the existence of the "spots" was "not particularly surprising."

Leonard Garment, the White House counsel, also de-emphasized the disclosure, telling Chief Judge John J. Sirica, who was presiding over the hearing,

mid-November, when the tapes were duplicated. It was not clear from today's testimony whether the entire 18-minute gap was created during this time.

There has been speculation this week that Miss Woods might have caused the entire 18-minute gap by inadvertently operating the rewind bar on the Fidelitape treadle while the "recording" key was depressed on the Uher machine. Presumably, she would have done this by shifting her foot on the treadle.

In one test with the machine, it was shown that 18 minutes' worth of tape recording at the rate of one and seven-eighths inches per second would have been erased by this method in only 20 seconds.

Other experiments with the machine showed that this method of erasure produced a variable, high-pitched whistle unlike the one heard yesterday in Judge Sirica's courtroom. This variable whistle was developed whether or not a transformer-equipped lamp near the recorder was producing the recorder was producing electro-magnetic interference.

that the existence of the blank sections was a "collateral" matter and that its significance would have to be determined by technical experts.

Tonight the White House press office also attempted to make clear that the "spaces" described by Mr. Buzhardt were simply blank spaces rather than "gaps" in which parts of conversations had been obliterated. "Conversations Are Intact"

"On the seven subpoenaed conversations," Gerald L. Warren, the deputy spokesman said, "with the exception of the 18-minute gap [which has been under inquiry in court this week] those seven subpoenaed conversations are intact."

But Richard Ben-Veniste, the member of the special Watergate prosecution force who was questioning Mr. Buzhardt, noted that he disagreed with Mr. Buzhardt at least about technical details of just what the blank spots showed.

In response to Mr. Garment's objection that the testimony about the blank sections was "collateral" to the issue at hand, involving an 18-minute lapse on one key tape, Mr. Ben-Veniste spoke in a clearly skeptical tone. "Apparently it's a coincidence" that Mr. Buzhardt first learned of the existence of the blank spots the same day that he says he first learned that the particular lapse under discussion lasted a full 18 minutes, Mr. Ben-Veniste said.

Expert Questioned

After he finished testifying, Mr. Buzhardt made another unexpected disclosure. He said he had been told that there was a "remote" possibility that the material originally recorded on the 18-minute segment that had been obliterated could in some way be "brought out."

In his testimony earlier, he had said that on Nov. 14 when he discovered the full extent of the 18-minute "gap," he asked a technical expert whether the obliterated section could be restored. He went to a White House technical expert, Howard Rosenblum, "of

N.S.A." [presumably the National Security Agency], and asked, "if there was an erasure, was there a process" whereby the missing sound could be "brought out."

Mr. Ben-Veniste, who was pursuing a different point, did not ask whether Mr. Rosenblum had answered affirmatively.

After court, however, Mr. Buzhardt was asked how Mr. Rosenblum had answered.

"Very unlikely," he replied. But when he was asked if it was possible, he replied, "It was remote."

The original recording are

In Judge Sirica's custody and are being guarded by United States marshals pending examination by technical experts to determine whether they have been tampered with.

It was unclear whether the experts would try the process that Mr. Rosenblum described to Mr. Buzhardt.

Attempt Is Indicated

It was also unclear whether the White House had tried to restore the lost sections, although Mr. Buzhardt, in his testimony, indicated that the White House might at least have taken a tentative first step.

Just after his remark about questioning Mr. Rosenblum, he noted that he had tried to "duplicate the sound" of the 18-minute lapse, a buzzing noise, and this, possibly, was the first step recommended by Mr. Rosenblum. The purpose of duplicating the sound, Mr. Buzhardt indicated, was to try to determine what could have caused the lapse.

In the afternoon session, Mr. Ben-Veniste elicited a number of statements that add further to the confusion that has arisen since Judge Sirica began his inquiry into whether the President was adequately complying with the Watergate prosecution's subpoena of tape recordings and other materials bearing on nine specific Watergate-related conversations.

Mr. Buzhardt said under questioning, for instance, that he received last Aug. 13 the same document that, he insisted, led him to conclude on Nov. 14, for the first time, that the prosecution subpoena covered the tape in which the 18-minute lapse occurs.

3 Days After Break-In

That conversation was between the President and H. R. Haldeman, then his chief of staff, in the Executive Office Building on June 20, 1972. In the conversation, the President, among other things, ordered "public relations" actions to be taken regarding the break-in three days earlier at Democratic headquarters in the Watergate complex here.

A document submitted by the White House to the court on Monday indicates that the 18-minute lapse obliterated the discussion of the public relations action.

Mr. Nixon had talked with Mr. Haldemann beginning about 11:30 A.M., after talking earlier to another aide, John D. Ehrlichman. The prosecution subpoena called for materials regarding the meeting on June 20 involving Mr. Nixon, Mr. Ehrlichman and Mr. Haldeman from "10:30 A.M. to noon (time approximate)."

'Close Reading' Needed

The White House said it first felt that the subpoena covered only the conversation between Mr. Nixon and Mr. Ehrlichman. Not until Nov. 14, the White House has said, did it realize that the Haldeman-Nixon conversation was covered as well.

Today, Mr. Buzhardt testified that a "close reading" of a prosecution memorandum describing the nine conversations, specified in the subpoena had led him to realize that the Haldeman conversation was covered.

The memorandum states that Mr. Nixon "met with John D. Ehrlichman and H. R. Haldeman in his Old Executive Office Building on June 20, 1972, from 10:30 A.M. until approximately 12:45 P.M." It also states that "Ehrlichman and then Haldeman went to see the President."

Judge Sirica asked if a "close reading" was really needed. Mr. Buzhardt replied that it was because, as he saw it, there were really two meetings that day and the subpoena referred to "meeting."

Attached to Opinion

Mr. Ben-Veniste pointed out that the United States Court of Appeals for the District of Columbia Circuit attached the memorandum to its opinion last Oct. 12 when it ruled that Mr. Nixon must comply with the subpoena.

"And of course you studied that opinion?" the prosecutor asked.

"I read it, yes," the lawyer replied.

Beyond that, however, as Mr. Buzhardt conceded, when pressed, the prosecution gave that memorandum to the White House last Aug. 13.

Mr. Buzhardt's testimony about the blank spots on various, unspecified tapes came after testimony about the process by which the White House made copies of the subpoenaed tape recording some two weeks ago, with representatives of both the prosecution and the White House counsel present.

Question Is Posed

It came in response to a question by Mr. Ben Veniste, which, according to the notes of the official court reporter, went as follows:

"In the process of copying the tapes it is a fact, is it not, Mr. Buzhardt, that the technician involved, using an instrument, was able to determine merely by viewing the instrument while copying that tape that there were substantial gaps on the tape which would have been inconsistent with the testimony about how the machinery operated, because it was voice-actuated machinery, and there should be no reason for silence on the tape?"

"I didn't attend the copying, Mr. Ben-veniste," the witness replied. "I don't know. I was advised subsequently that there were spots on the—you could tell from the oscilloscope that there were spots where there were apparently no conversations on the tape."

An oscilloscope is an electronic device that presents a visual image of changes in a varying current, such as those caused by sound.

At that point Judge Sirica called a recess.

NEW YORK TIMES
26 November 1973

The Tapes Devalued

Disclosure that another eighteen-minute segment of the subpoenaed White House tapes has belatedly been found to be inoperative raises new questions about their usefulness as testimony.

Discovery of this "phenomenon," as White House counsel J. Fred Buzhardt Jr. termed it, followed earlier revelations that the first telephone conversation between Mr. Nixon and former Attorney General John Mitchell after the Watergate break-in had not been recorded and that the tape had run out on a crucial meeting between Mr. Nixon and John Dean.

The unaccountably blank eighteen minutes eliminate the record of part of a conversation between Mr. Nixon and H. R. Haldeman on June 20th, three days after the break-in and shortly after the President's first post-Watergate meeting with John Ehrlichman, Richard G. Kleindienst and Messrs. Haldeman, Mitchell and Dean. According to Mr. Ehrlichman's testimony, Watergate and wiretaps were primary subjects of the meeting that preceded the eighteen-minute blank in the Nixon-Haldeman conversation. The unrecorded Nixon-Mitchell telephone conversation took place on the evening of the same day.

These missing links, along with the non-existent Nixon-Dean tape of April 15, 1973, have sharply devalued the tapes as evidence of the innocence or guilt of a large number of prominent persons, including the President himself. In addition, there are the following puzzling phenomena:

Miss Rose Mary Woods, Mr. Nixon's personal secretary, has testified that a number of key tapes are rendered barely comprehensible by odd background noises, even though Mr. Haldeman had earlier considered the recordings quite adequate.

Former White House aide Alexander Butterfield has described the recordings as highly sophisticated, whereas Mr. Nixon portrayed it as an inexpensive, makeshift "little Sony" setup.

No adequate explanation has been given for the lengthy delays in turning the tapes over to the court.

Finally, and most disconcerting, there is the fact that an undisclosed number of vaguely identified tapes has been checked out for unspecified periods of time in the absence of any discernible concern for security. Mr. Haldeman's testimony, for example, shows that some of the tapes had been in his possession both before and after he left White House employ.

Under such circumstances, it is not surprising that Chief District Court Judge John J. Sirica, in ordering the tapes to be turned over to his custody on Monday, said of the latest revelation: "This is just another instance that convinces the court that it has to take some steps, not because the court doesn't trust the White House or the President [but because] the court is interested in seeing that nothing else happens."

What has already happened cannot be divorced from Mr. Nixon's highly publicized "Operation Candor." The President's counsel has conceded that Mr. Nixon, even as he assured the Republican governors that there would be no further "bombshells," already knew about the blank tape. Nor has Mr. Nixon taken the long-promised initiative of "full disclosure," even after Judge Sirica stated that the court had no objections.

Devaluation of the tapes' integrity, along with the misrepresentations contained in the President's public relations offensive, only further erodes White House credibility.

WASHINGTON STAR
30 November 1973

Journalists Doubling as CIA Contacts

By Oswald Johnston

Star-News Staff Writer

The Central Intelligence Agency has some three dozen American journalists working abroad on its payroll as undercover informants, some of them as full-time agents, the Star-News has learned.

After CIA director William E. Colby ordered a review of the practice two months ago, agency officials found the names of some 40 full-time reporters, free-lance journalists and correspondents for trade publications in their files as regular undercover contacts who supplied information to agents in the field and who are regularly paid for their services.

The use of foreign correspondents by the CIA has been quietly suspected — and feared — for years by legitimate reporters who have worked overseas. But the suspicion has never been verifiable until now. The facts were made known by an authoritative source.

The continuing extent of the practice and its wide scope, which is believed to have been scaled down since the Cold War tensions of the 1950s, was apparently a surprise even to Colby, who last month ordered a significant cutback in the CIA relationship with journalists connected with major news organizations.

NO LONGER to remain on the agency payroll is the one category of journalist-agents whose continued existence could most seriously compromise the integrity of the American press in general and possibly cripple its ability to function overseas.

To be phased out is a small group of no more than five full-time staff correspondents with general-circulation news organizations who function as undercover contacts for the CIA and are paid for their services on a regular contractual basis.

It is understood that three of these agents have maintained their CIA contacts without the knowledge of the news organizations involved, but that the CIA sideline of the other two is known to their civilian employers.

Sources refused to identify any of the reporters involved, but it is understood that none of the five agents who are being cut off were regular staff correspondents of major American daily newspapers with regular overseas bureaus.

COLBY IS understood to have ordered the termination of this handful of journalist-agents in the full realization that CIA employment of reporters in a nation which prides itself on

an independent press is a subject fraught with controversy.

Nevertheless, he has approved explicitly the continued maintenance of more than 30 other CIA agents abroad who are not strictly newsmen but who rely on some kind of journalistic "cover" for their intelligence operations.

Among those to be maintained is by far the largest category of journalist-agents: A group consisting of about 25 operatives scat-

tered across the globe who appear to the world as free-lance magazine writers, "stringers" for newspapers, news-magazines and news services, and itinerant authors. (A stringer is a journalist, usually self-employed, who offers news dispatches on a piece-work basis to news organizations which do not have regular staff members in the stringer's city.)

Agents in this category are not regularly identified with any single publication, and most of them are full-time informants who frankly use their writing or reporting as cover for their presence in a foreign city. Most of them are American citizens.

MOST ARE paid directly and regularly for services rendered, but a few of these semi-independent free-lance writers occasionally draw on CIA funds to pay out-of-pocket expenses for trips in which the agency had an interest or for entertaining a useful contact.

A second group of overseas correspondents whom Colby intends to keep on the payroll consists of eight writers for small, limited-circulation specialty publications, such as certain types of trade journals or commercial newsletters. It is understood that most in this group operate as paid CIA informants with the approval of their employers.

Colby also intends to keep up the quiet, informal relationship the agency has built up over the years with many reporters working at home and abroad and editors who for their part maintain regular contact with CIA officials in the routine performance of their journalistic duties.

No money changes hands under these relationships, either as occasional payment or as reimbursement for expenses. In general, the relationship is limited to occasional lunches, interviews or telephone conversations during which information would be exchanged or verified. Each side understands that the other

is pursuing only his own tasks.

IN SUCH a relationship, the reporter would be free to use the information he gained in a news story, and occasionally the CIA agent might make use of what he has learned from the reporter. Very likely, the CIA official would report the gist of his conversations with the reporter to his superiors, orally or in a written memo.

In this group, sources indicated, the CIA includes a Star-News reporter whose name apparently found its way into agency files as a result of contacts of this professional type during assignment overseas for the Star-News.

(Star-News editors have discussed this matter with the reporter and other sources and have found no evidence to suggest that either the reporter or this newspaper has been compromised.)

Veteran intelligence operatives are understood to look with mixed feelings on Colby's decision to break off CIA contacts with legitimate full-time correspondents.

On the one hand, journalists operate under conditions that, in the eyes of a professional spy, provide a natural "cover," combined with unusually good access to people and places abroad that would be unavailable to persons in other professions.

THE USE of journalist-agents is known to be widespread in Communist-bloc countries where the press is government-controlled, and during the 1950's the Tass correspondent who was also a Soviet agent was almost proverbial.

At the same time, agency officials are known to recognize that CIA penetration of the American press, if discovered or even suspected to exist on a wide scale, would further damage the CIA's shaky public image at home and could seriously compromise the reputation of the American

press.

For both of these reasons, sources were extremely reluctant to give any details of the operations in which journalist-agents were involved or to discuss their assignments in any but the most general way. Sources who verified the existence of the practice refused to reveal how much the agents were paid or where they have been deployed.

Colby himself is thought to be solely responsible for the decision to cut off the CIA relationship with full-time staff correspondents for general news-gathering organizations.

DURING his Senate confirmation hearings last summer, Colby promised in the aftermath of the Watergate-related disclosure of domestic political espionage that he would take pains to operate "an American intelligence agency" — that is, one with

operations compatible with a democratic society.

Colby's cutback on CIA use of the press is understood to have been governed by that promise.

Nevertheless, Colby has privately justified past use of the news media as agency cover by stressing that newsmen operatives were not as a rule used as vehicles for planting propaganda.

As a matter of standard operating procedure, sources insist, an agent operating under cover as a freelance writer or as a staff correspondent for a newspaper or news agency almost never had his news stories or articles "critiqued" by his case officer.

While propaganda admittedly has been an important part of clandestine CIA operations abroad, that function has been kept separate from the routine

running of agents, even though both assignments belonged to the agency's Clandestine Services, under the Operations directorate.

ACCORDINGLY, the extensive network of dummy foundations through which the CIA was revealed in 1967 to have funneled cash to such publications as Encounter magazine or such organizations as the American Newspaper Guild was not related to the use of newsmen or writers as intelligence operatives in the field.

If anything, the use of newsmen in this way seems to have been carried out at the discretion of station chiefs abroad, with little or no central oversight.

Until late last summer, neither Colby himself nor the top officials in the Operations directorate had any precise information on

how many clandestine agents were currently operating under journalistic cover.

During September, in the aftermath of revelations that the Nixon administration used journalists as paid political spies during the 1968 and 1972 presidential campaigns, and in response to queries from the press, Colby ordered an in-house investigation within the Clandestine Services to find out exactly what the situation was.

A final reason for press curiosity on this point, which in turn spurred Colby to order the Operations directorate to search its files, was the published disclosure that Seymour K. Freidin, a code-named "Chapman's friend" of the 1972 Nixon campaign, regularly passed information to the CIA when working as a syndicated columnist in Europe during the 1950's.

WASHINGTON STAR-NEWS
Washington, D. C., Thursday, November 29, 1973

Plumbers' Goal: Hide Spying on Soviets

By Dan Thomasson
Scripps-Howard News Service

The mysterious "national security" matter that President Nixon has said he hopes to keep secret involves a covert operation by the White House "plumbers" to stop a threatened leak of highly sensitive information gathered about the Soviet Union.

And some who know about the matter believe disclosure of its details ultimately would endanger the life of a U.S. intelligence source close to the highest Russian official circles.

"I HAVE NO DOUBT that it is highly likely a life would be snuffed out," said one source aware of the operation. "It would, in the words of the CIA, put an individual in 'extreme prejudice'."

Former Atty. Gen. Elliot L. Richardson gave a hint of this in May during confirmation hearings before the Senate Judiciary Committee. Explaining why he had omitted certain passages from notes he had taken on a meeting with Egil Krogh, former White House aide and "plumbers" chief, Richardson said:

"They (CIA) informed me that the words left out there are still subject to classification, because their disclosure would prejudice an intelligence source."

Richardson said further:

"THE OMISSION . . . does refer to a genuine national security item."

Government officials aware of the various facets of the covert operation also agree that threat of disclosure that the United States possessed such sensitive information on the Soviet Union — and not the leak of the Pentagon papers or the U.S. position on the strategic arms limitation talks — was the real reason for formation by the White House in June 1971 of the now defunct "plumbers," two of whose members later participated in the Watergate break-in.

Although most of those informed on the matter contend its disclosure would help the President's case in the Watergate affair, Nixon has steadfastly refused to do so.

THESE OFFICIALS say it would legitimize the formation of the "plumbers" which apparently came about because of a ban on the CIA's becoming involved in domestic intelligence activities and the refusal of the late FBI director, J. Edgar Hoover, to cooperate with the White House.

Nixon referred to the undisclosed national security problem 10 days ago in an appearance before the Associated Press managing editors in Orlando, Fla.

He said there is a matter "so sensitive" that the leaders of the special Senate Watergate committee had decided "they should not delve further into it."

"I don't mean by that that we're going to throw the cloak of national security over something because we're guilty of something," Nixon said. "I'm simply saying that where the national security would be disserved by having an investigation, the President has responsibility to protect it, and I'm going to do so."

EVEN SUCH Nixon adversaries as ousted special Watergate prosecutor Archibald Cox and Senate Watergate Committee Chairman Sam J. Ervin Jr., D-N.X., consider the matter an authentic national security problem.

Ervin refused to permit the committee to probe more deeply into the operation despite contentions by Sen. Howard H. Baker Jr., R-Tenn., committee vice chairman, that it was a vital "missing link" to the overall

Watergate investigation.

Cox decided not to seek federal indictments against Krogh and his co-commander of the plumbers, David Young, for the burglary of the office of Dr. Daniel Ellsberg's psychiatrist because to do so might expose the "national security" matter. Although Cox could see no direct link to the break-in and the classified operation, he feared that defendants would use it as part of their defense.

The new special prosecutor, Leon Jaworski, however, apparently is moving ahead against Krogh, Young, and former presidential adviser John D. Ehrlichman in the Ellsberg matter. Sources close to the situation say Jaworski believes he must prosecute and then cross the national security bridge when he comes to it.

THERE HAVE BEEN reports of "eavesdropping" in the Kremlin. And the CIA is reported to have been involved in the bugging of the Soviet Communist party leader, Leonid I. Brezhnev.

Information about the Brezhnev affair, sources say, is contained in a 22-page report on CIA activities that has been put together for a member of the Watergate committee.

But those aware of the "plumbers" operation say it did not relate directly to this but to "an individual" who — the CIA had tipped the White House — would be in danger of elimination unless something was done to stop the threatened leak of some of the information he was passing.

At least one government official informed about the operation contended that not just one but possibly a "number of persons" could be harmed by disclosure of the secret operation.

"There are people here whose families and friends still are in eastern European countries and under Russian control," he said, without explaining.

THE FIRST public indication of the national security operation came last summer when Ehrlichman, in going over several known activities of the "plumbers," said there was another matter too sensitive to discuss.

A piece of that information previously had come to the special Senate Watergate committee's Republican investigators through an undisclosed source. When Baker pressed to know more, White House attorneys briefed Ervin, Baker and their chief counsels, Samuel Dash and Fred D. Thompson.

Since then Baker and others, including acting White House counsel Leonard Garment, have urged Nixon to make it public.

While some officials believe Nixon has refused because of the ultimate threat to the intelligence source, others believe disclosure could bring about eventual revelation of other activities of the plumbers along lines of the Ellsberg break-in.

Another of those informed on the matter who has been highly critical of Nixon stated: "The only thing that makes me sympathize at all with the President's plight is the fact that, in this at least, he is sincerely motivated."

BAKER said yesterday before leaving for Puerto Rico, that if the national security matter were shown to be related to the Watergate investigation, "then I've got a problem."

Baker also said he told the committee that he believes the possible involvement of the CIA "and other agencies" into the break-in itself deserved more investigation.

He refused to elaborate on what evidence he had, but

said there was "a little more" thttwhat was contained "ing." Baker said of the Watergate investigation in general. "I'm not sure we can put it together," because of this major "missing piece."

COLUMNIST Jack Anderson wrote Tuesday that an investigation of the White House plumbers, who have been charged in connection with the break-in at the office of Ellsberg's psychiatrist, "might reveal that the Central Intelligence Agency eavesdrops on Kremlin

leaders."

In an interview with Richardson Tuesday night, ABC talk show, host Dick Cavett asked whether the matter referred to was whether the CIA had bugged the Kremlin. Richardson did not respond directly.

Asked about the possible bugging of the Kremlin, a press spokesman at the Soviet Embassy said, "We don't have any comment on that . . . Watergate is the internal business of the American people and we refrain from comment."

WASHINGTON STAR
20 November 1973

Security Could Imperil 'Plumbers' Prosecution

By Barry Kalb
Star-News Staff Writer

A genuine national security matter raised by the White House last summer is so sensitive it might bar future prosecutions involving the secret "plumbers" operations, former Atty. Gen. Elliot L. Richardson believes.

Richardson told a reporter yesterday that information from special White House counsel J. Fred Buzhardt was so persuasive that he and former Watergate special prosecutor Archibald Cox had been prepared for the possibility that they might have to drop indictments in the case.

One informed source partially confirming Richardson's statement, said he was confident that Cox "would not have brought any indictments which he thought would fail." He indicated that Cox had taken the matter seriously.

In apparent corroboration of this, it was learned yesterday that federal indictments in connection with the plumbers' 1971 burglary of Daniel Ellsberg's psychiatrist's office have been held up while the Watergate special prosecutor's office studies possible consequences to the allegedly sensitive matter.

THE PLUMBERS were a special White House investigations unit so nicknamed because they were assigned to plug news "leaks."

Richardson said the security problem persists for Cox's successor, Leon A. Jaworski. "Jaworski, if he ever indicts, might have to (drop the indictments) — It's that genuine," he said.

While nobody contacted would reveal the nature of this matter, a lawyer for one potential defendant said

Ellsberg was thought to have had access to information about it during his tenure on the National Security Council, and later at the Rand Corp.

The White House knew at the time of the burglary that Ellsberg had given secret Pentagon papers about the Vietnam war to the press, and the White House also had information that Ellsberg had given the documents to the Soviet Embassy here, the lawyer said.

He said the investigation of Ellsberg, which President Nixon has admitted ordering personally, was aimed partially at determining whether Ellsberg had given information on the sensitive matter to the press, the Soviets, or anybody else.

IF HIS client is indicted, this lawyer said, "I would immediately subpoena certain documents" which he said would show why the Ellsberg operation was authorized and what its full extent was.

Rather than allow information about the allegedly sensitive matter to be introduced at trial, he predicted, the White House would refuse on national security grounds to give up the documents, and Jaworski would be forced to drop the indictments.

President Nixon said at his Saturday night press conference that the chairman and vice chairman of the special Senate Watergate committee — Sens. Sam J. Ervin Jr., D-N.C., and Howard H. Baker Jr., R-Tenn. — were aware of a highly sensitive national security matter in connection with the plumbers and had agreed not to pursue it. It could not be determined whether this was the same

matter about which Richardson had been informed.

A spokesman for Jaworski, reached yesterday for comment on Richardson's disclosure, replied that "Mr. Jaworski has received a briefing from the White House staff on some problems they see on the question of national security."

The spokesman said he assumed the allegedly sensitive matter was discussed, but he said that Jaworski, like Cox, has not discussed details with anyone on his staff. Richardson said that he had told only one member of his Justice Department staff about the matter.

COX REACHED at his home in Brooksville, Me., refused to discuss the situation. He said, "I just decided to make it a general rule that I won't say anything" about investigations formerly under his direction.

Richardson said a press report last Friday saying he and Cox had been pressured by Buzhardt not to indict certain former White House aides was inaccurate. The aides mentioned in the report were John D. Ehrlichman, Charles W. Colson and Egil (Bud) Krogh Jr.

"It's not fair to Mr. Buzhardt to say that he put pressure on me," Richardson said.

"Buzhardt had brought to my attention a very significant national security aspect of the situation . . . a problem that could arise if asserted by a defendant," he continued. "It was not a situation peculiar to any particular defendant. He did not mention any particular names."

A member of Cox's former staff agreed with Richardson, saying Buzhardt had not pressured Cox not to indict specific individuals.

But if no names were mentioned, "It involved the

plumbers, all right," Richardson said.

HE EXPLAINED that anyone indicted in connection with an illegal operation, such as the Ellsberg burglary, could attempt to disclose the allegedly sensitive matter "to establish the overall legitimacy of what they did."

He said the prosecutors at this point would have to consider the possibility that "the national interest at stake (in the operation) creates an overriding defense . . . to an otherwise illegal act."

"It would be a very tough call, especially in the present circumstances," Richardson said.

Krogh, former head of the plumbers; former team members David Young and G. Gordon Liddy; and Ehrlichman, to whom Krogh reported, have already been indicted on state charges by a California grand jury. They are charged with the September 1971 burglary of the office of Dr. Lewis Fielding, then Ellsberg's psychiatrist.

Krogh, Liddy and Ehrlichman apparently risk being indicted by a Jaworski grand jury on federal charges arising from the same incident. So do two of the original Watergate defendants, Bernard L. Barker and Eugenio R. Martinez; a friend of theirs, Felipe DeDiego; and Colson.

In September, attorneys for Colson, Barker and Martinez said publicly that indictments were imminent and that they expected their clients to be indicted. But those indictments have been held up without explanation.

ACCORDING to informed sources, assistant special prosecutor William H. Morril, head of the plumbers investigation, has been told about the allegedly sensi-

WASHINGTON POST
17 November 1973

Colby, Helms Deny CIA Foreknowledge Of Watergate Entry

By Laurence Stern

Washington Post Staff Writer

The current and former directors of the Central Intelligence Agency denied to senatorial questioners that they had any advance knowledge of the Watergate burglary.

The issue was opened up during a Senate Armed Services Committee closed hearing yesterday to hear testimony by free-lance writer Andrew St. George and by CIA Director William E. Colby.

But Colby did acknowledge that one of the convicted Watergate conspirators, Eugenio Martinez, alerted the CIA to E. Howard Hunt's presence in Miami late in 1971 and again in March, 1972.

At the time Martinez was working for Hunt's burglary team, which had already burglarized the office of Daniel Ellsberg's psychiatrist, and Martinez was also employed as a contract employee of the CIA.

Colby's allusion to the Martinez incident was made in a written response to a series of questions by Sen. Howard Baker (R-Tenn.), vice chairman of the Senate Watergate committee.

According to Colby's account, Martinez advised a CIA Miami field representative of Hunt's whereabouts and the report was passed on to CIA headquarters.

CIA headquarters, said Colby, told the Miami supervisor that "he should not concern himself with the travel of Mr. Hunt who was an employee of the White House undoubtedly on domestic White House business of no interest to CIA," according to Colby's latest statement.

This incident occurred several months after the CIA terminated technical assistance to Hunt including the supply of spy paraphernalia, which was used in the Ellsberg burglary. CIA officials said they cut off Hunt in August, 1971, because they came to the conclusion that the requests were improper—even though they were made under White House auspices.

One of the allegations made by St. George, in an article in the current Harper's magazine, is that Martinez was secretly reporting to the CIA on the activities of the White House burglary team under Hunt's supervision.



RICHARD HELMS
... former CIA director

This was denied by Colby and by Helms, in a separate written statement.

Helms also denied a claim by St. George that he had a conversation with a CIA watch officer the morning after the Watergate break-in acknowledging that he was tipped off to the operation.

The St. George article claimed the watch officer called Helms on the morning of June 17, 1972, and told him of the arrest of "the White House crew." It quotes Helms as responding, "ah, well, they finally did it."

Helms' statement, released yesterday by Sen. Stuart Symington (D-Mo.), said: "I am prepared to swear that no such conversation ever took place."

St. George invoked the First Amendment in refusing to identify his source for the report during yesterday's executive session, according to Symington.

The free-lance writer, a self-described adventurer with a heavy Hungarian accent, said he would consult with officials of Harper's before returning to testify before the Senate committee next Wednesday.

St. George was interviewed at length earlier this week by Baker and Senate Watergate committee minority counsel Fred D. Thompson.

Baker has displayed a persistent interest in the question of possible CIA involvement in Watergate. Symington, on the other hand, has been a staunch defender of Helms for having withstood White House pressures to involved CIA in the Watergate cover-up.

NEW YORK TIMES
26 November 1973

WHITE HOUSE UNIT TAKES ON NEW LIFE

Office of Communications
Had Seemed About to Be
a Watergate Casualty

By JOHN HERBERS
Special to The New York Times

WASHINGTON, Nov. 25—

For several months this year it appeared that the White House Office of Communications, the touch and ready operation that Charles W. Colson used last year to promote Richard Nixon's Presidency, was about to become a casualty of the Watergate scandals.

Critics of the Administration had charged that the office was too much of a propaganda operation for democratic Government, and some of the President's advisers thought that it should be abolished to show that a new order of staff operations had been established in the wake of the Watergate disclosures.

Now, however, the office has taken on new life and has a prominent role in the defense of President Nixon against demands that he resign, although it does not command the authority that it did before the White House was weakened by Watergate.

Among other things, the office is directing a surrogate program, similar to that used last year when Mr. Nixon was running for re-election, under which various officials in the Administration are publicly speaking out in defense of the President.

Director Gets Limousine

Around the White House, where there is acute sensitivity to status symbols, the view that the office has been salvaged is bolstered by the fact that the acting director, Ken W. Clawson, was recently assigned a limousine under Class A privileges.

Continuance of the office following the shake-up of the White House staff that began in the spring is seen by some observers as one of a number of signs that little has changed in the way the Nixon White House is run since the departure of the President's two chief aides, H. R. Haldeman and John D. Ehrlichman.

The office, which operates separately from the White House press office, is unique to the Nixon Presidency. It was established by Herbert G. Klein, who had the title of Director of Communications for the Executive Branch, when Mr. Nixon became President.

However, Mr. Colson, a particularly aggressive Presidential assistant, took over the office—leaving Mr. Klein with the title but little authority—and used it last year as an instru-

tive matter—although he has not been given details—and has been told it poses a potential threat to any indictments from his task force.

He has therefore deferred the indictments while he studies how the issue might be raised, what his probable response would be, and what legal alternatives would be available to protect his indictments.

Questions about what constitutes a legitimate national security matter, and how far the government can justify otherwise illegal acts by claiming national security, have been hanging over the Watergate cases, since the President first raised the issue last May.

In addition to his California indictment, Krogh has been indicted by Merrill's task force for allegedly lying to the Watergate grand jury last year concerning the travels of Libby and former plumbers member E. Howard Hunt Jr.

Krogh's attorney has argued that he lied because he was under strict instructions from Nixon to maintain secrecy about the plumbers' activities. But U.S. District Judge Gerhard A. Gesell rejected this defense last week.

THIS RULING seemed to leave Krogh with little or no firm defense to the charge and raised the possibility that he might therefore seek a deal with the prosecution and, in return for full cooperation in the plumbers investigation, might be allowed to plead guilty to a less serious offense than lying to the grand jury.

Krogh, it is understood, might be able to corroborate testimony by former White House counsel John W. Dean III, who told the special Senate Watergate committee in June that Krogh had said his orders for the burglary came "right out of the Oval Office."

The President has hotly denied that he knew of the burglary in advance, and has repeatedly labeled it "illegal."

A source close to the situation called it ironic that the White House, by citing "national security" often in discussing Watergate, has created doubt about all such claims.

"Here turns out to be a situation that clearly did involve, and does involve, a matter of national security," this source said. "But the likelihood that it will be believed at this point has gone to hell."

WASHINGTON POST
22 November 1973

Helms Faces New Quiz By Watergate Probers

By Laurence Stern

Washington Post Staff Writer

Former Central Intelligence Agency Director Richard M. Helms is returning to Washington soon from his post in Iran for another round of testimony on the agency's role in the Watergate scandal.

Helms' return visit has "no connection" with State Department business, according to State Department officials. But the Watergate special prosecutor's office is understood to want to interview the former CIA director about seeming discrepancies in various appearances when he gave testimony.

The interest of the special prosecutor's office is understood to focus on a June 28, 1972, memorandum from Helms to his deputy, Gen. Vernon Walters, asking that the FBI be requested to confine its Watergate inquiries in Mexico to "personalities already arrested or directly under suspicion."

The Helms memorandum also requested that the FBI "desist from expanding this investigation into other areas which may well, eventually, run afoul of our operations."

Previous testimony by Helms, Walters and other CIA officials was that the agency never sought to limit FBI inquiries into the Watergate scandal's Mexican connection. This facet of the case established a link between the Watergate bur-

glary team and the Nixon re-election committee within a week after the break-in.

Sen. Howard Baker (R-Tenn.), vice chairman of the Senate Watergate committee, said yesterday he has no intention of interviewing Helms at this time. Baker did acknowledge, however, that he is looking into published allegations that the CIA infiltrated the White House "plumbers" team and the Watergate conspirators.

Such allegations have been recently made by former CIA official William Copeland in the *National Review* and freelance writer Andrew St. George in *Harper's* magazine.

St. George was questioned in executive session by the Senate Armed Services Committee yesterday for the second time in a week. Afterward, acting chairman Stuart Symington (D-Mo.) said that the writer refused to divulge the source for allegations in his *Harper's* article that the CIA had infiltrated the Watergate burglary team.

"The authenticity of quotes in the article relating to the former Central Intelligence Agency director, Mr. Richard M. Helms, now ambassador to Iran, is still uncertain, unproven and unsupported, except perhaps by sources which Mr. St. George will not identify," Symington said.

ment for re-election of the President. One of the efforts was the surrogate program, under which Cabinet members and other officials were sent around the country making speeches for Mr. Nixon, who did little campaigning on his own.

Mr. Colson left the Administration early this year and Mr. Klein resigned in August, leaving Mr. Clawson, who had the title of deputy director, in charge. He operates with a staff of 10 out of a suite of offices overlooking the White House in the Executive Office Building.

The 37-year-old Mr. Clawson, a former reporter for *The Washington Post*, is a chubby man with owl-like eyes and a raspy voice. He is an unabashed partisan who believes in the hard sell and the bare-knuckles attack. A few days ago, when he was filling in during an emergency at the White House press office, he walked into a group of reporters and sang out:

"Does anyone want a piece of Chuck Connors?"

That was his way of asking if anyone wanted to interview the actor, who was there to see the President before visiting Russia and the Soviet leader Leonid I. Brezhnev, who had

taken a liking to him last summer in San Clemente, Calif.

When someone remarked that he had never heard "such a blatant public relations sales pitch," Mr. Clawson said he did not care, that several television and radio interviews had resulted from it.

In this fashion, Mr. Clawson last spring was running a campaign to hold the line against Congressional moves to end President Nixon's impoundment of appropriated funds, deploying high officials throughout the executive branch as speakers and coordinating publicity among Government public relations agents in the departments and agencies.

This effort faded after the Watergate disclosures. Now Mr. Clawson is conducting a similar if less authoritative effort in defense of the President. In addition to scheduling Administration speakers on television and radio programs, Mr. Clawson's office is mailing out information and suggested lines of attack and counterattack to department and agency heads.

Some Cabinet members, taking advantage of lessened White House control, have said they threw the material away and put what they wanted in speeches. But some of it reached the public in one form or another.

BALTIMORE SUN
29 November 1973

Hunt is reported staying at Holabird

Washington (Special)—E. Howard Hunt, Jr., who November 9 was sentenced to a minimum of two years in jail for his participation in the Watergate burglary, has spent some time since sentencing at Fort Holabird, Baltimore.

It could not be determined immediately here if the time he has spent at Holabird, which is not a formally designated detention center, counts toward his sentence. Hunt was staying at a special "site" there yesterday.

Treatment of Hunt since his sentencing appeared different from treatment of the five other men sentenced with him. According to Larry Taylor, an information official at the Bureau of Prisons in the federal Justice Department, four of them—Bernard L. Barker, Frank A. Sturgis, Eugenio R. Martinez and Virgilio R. Gonzalez—were ordered to be re-

manded to detention centers two weeks ago.

The fifth man, James W. McCord, Jr., was given 15 days to get his affairs in order before starting to serve his time.

Mr. Taylor said, however, that orders to remand Hunt to a minimum detention center in Allenwood, Pa. were signed only yesterday. The delay, he said, was because Hunt had been needed in Washington for questioning in other aspects of the Watergate prosecution.

Mr. Taylor would not confirm that Hunt had been in Holabird. He said, however, that Hunt had been in the custody of United States marshals in the Baltimore-Washington area since sentencing.

Officials at the Marshals' office here promised a statement on the matter in response to queries from the press, but late yesterday had not delivered it.

NEW YORK TIMES
27 November 1973

44% IN POLL BELIEVE NIXON VIOLATED LAW

WASHINGTON, Nov. 26 (UPI)—A Harris poll released today indicated that 44 per cent of Americans believe that when the Watergate investigation is completed, President Nixon will be found to have violated the law.

The poll also showed that 46 per cent of 1,459 persons questioned Nov. 12-15 did not believe that Mr. Nixon was a man of high integrity.

The polling organization headed by Louis Harris said that when it asked a cross-

section of Americans 18 months ago whether they believed Mr. Nixon was "a man of high integrity," 76 per cent said he was and only 13 per cent said he was not. The new poll showed 46 per cent said he was not of high integrity while 39 per cent said he was.

In answer to a question whether Mr. Nixon would ultimately be found to have broken the law, 44 per cent believed he would be, 34 per cent said he would not be and 22 per cent were not sure.

In response to a third question, 65 per cent of those polled said that Mr. Nixon did not inspire confidence while 29 per cent said that he did.

WASHINGTON STAR
28 November 1973

Watergate Jury Hears Helms Again

By Oswald Johnston
Star News Staff Writer

Former CIA director Richard M. Helms has testified for a second time before the Watergate grand jury about possible CIA involvement in the break-in at Democratic National Headquarters and the subsequent coverup.

Helms, now ambassador to Iran, was recalled from his diplomatic post for testimony and appeared for about an hour yesterday before the grand jury, according to sources close to the investigation.

Watergate special prosecutor Leon Jaworski's office refused any comment on the Helms interrogation. But it understood staff investigators, following the lead of Archibald Cox, wanted to examine further a memorandum written by Helms 11 days after the June 17, 1972, Watergate break-in in which he asked that FBI agents "confine themselves to the personalities already arrested or directly under investigation."

THE JUNE 28, 1972,

memo surfaced earlier this month and stirred reports of renewed interest at the prosecutor's office in Helms' original testimony.

In some eyes, the memo ran directly counter to sworn testimony by Helms and other CIA officials that the agency had no connection whatsoever with E. Howard Hunt and the other onetime intelligence operatives who carried out the June 17 break-in.

This apparent discrepancy was further underlined earlier this month by an article in Harper's Magazine. It contended that Eugenio Martinez, one of the five conspirators apprehended inside the Democratic headquarters and admittedly a paid CIA informant at the time of the break-in, had kept CIA higher-ups fully informed of the doings of Hunt and his colleagues.

THE THESIS has been sharply disputed by all congressional investigators who have looked into the matter. The Senate Armed Services Committee held two hearings earlier in the month in an unsuccessful

effort to press the author to authenticate his claims.

Rep. Lucien Nedzi, D-Mich., whose CIA oversight subcommittee of the House Armed Services Committee, has probably carried out the most painstaking study of the relationship of CIA to Watergate, has firmly concluded that the agency was not involved and that the potentially damaging memo is really innocent.

William E. Colby, the present CIA director, earlier this month prepared at the invitation of Senate Armed Services Committee acting chairman Stuart Symington, D-Mo., a second memo to explain what Helms had in mind.

In it, Colby explained that the original Helms memo, addressed to deputy CIA director Gen. Vernon A. Walters, was aimed at protecting two undercover agents in Mexico from exposure by an FBI investigation of what later turned out to be a Republican Finance Committee money chain through a Mexico City bank.

"HE WANTED to dis-

courage a fishing expedition into CIA operations," Colby said.

Nedzi has fully accepted this interpretation, both in a special subcommittee report on the CIA-Watergate connection prepared last month and in private conversation thereafter. He repeated his conviction in an interview yesterday.

State Department officials confirmed yesterday that Helms returned from Tehran over the weekend. Informed sources reported that he conferred with Colby Monday, and he was reported to have met with Nedzi yesterday afternoon.

When questioned, Nedzi reiterated that the controversial memo could hurt Helms only through misinterpretation. "Our record is complete," he said, adding that he and his subcommittee had gone through "piles of memoranda" from classified CIA files relating to the Watergate crew, including Martinez, without finding a shred of evidence of any involvement.

NEW YORK TIMES
23 November 1973

Ukraine Holds Nixon Above Criticism

By CHRISTOPHER S. WREN
Special to The New York Times

ZAPOROZHE, U.S.S.R., Nov. 15—President Nixon remains an untarnished symbol of reconciliation out here in the Soviet hinterland. The Watergate affair means little or nothing to ordinary citizens of this sprawling industrial center of almost 700,000 people in the southern Ukraine.

"Yes, it was reported," a young engineer said, "but I really don't think I know about it."

His response reflected the cautious treatment that the scandal has received in the local Soviet press. The national newspapers such as Pravda and Izvestia have been giving Watergate increasingly more attention, though their reports generally run only a few paragraphs.

Passed Up Story

But in Zaporozhe, the local press has sidestepped the matter. When Pravda reported that Mr. Nixon was willing to surrender documents related to Watergate, the local Ukrainian-language paper, Zaporizhska Pravda, passed up the story for prosaic articles from Cairo, Warsaw, Hanoi and London.



"We have told our readers what they need to know about Watergate," said a journalist from Kiev, "but it is, of course, your internal affair."

The hesitancy to bring up the matter suggests a wish by the local press not to confuse its readers by undermining their faith in an American President with whom the Kremlin has made some accommodation.

"You must understand that Nixon for us means not the man, but the symbol of a new era of understanding between

the United States and the Soviet Union," explained a translator, who said she had followed the Watergate affair. "When I first heard about it, I thought it must be a trick," she said, expressing a not uncommon skepticism.

In Zaporozhe, Mr. Nixon has retained the stature he won when he visited the Soviet Union in May, 1972. Some of the city's residents recall that he stopped in the Ukrainian capital, Kiev.

"Are there people in the United States who don't like your President?" another woman

asked. "Why is that?"

The decidedly Ukrainian pace of Zaporozhe is interrupted by such stray wisps of Americana as an amplifier in a hotel blaring out "Chattanooga Choo-choo."

But the citizens of this city, preoccupied with their own lives, seem otherwise untouched by what is happening in America.

Any discussion about the United States inexorably proceeds to a plea for co-existence. "We all just want to live," said one man. "I want to and you want to, so why don't we?"

WASHINGTON POST

28 NOV 1973

Delay May End Watergate

By Lawrence Meyer
Washington Post Staff Writer

Hearings

Following a decision by the Senate select Watergate committee yesterday to suspend hearings on campaign financing indefinitely, its ranking Republican member, Sen. Howard H. Baker Jr. (R-Tenn.), said it is possible the hearings may never resume.

The committee, acting on a recommendation from its staff, voted 5 to 1 to suspend the hearings subject to a call from the chairman, Sen. Sam J. Ervin Jr. (D-N.C.). The lone dissenting vote was cast by Sen. Lowell P. Weicker Jr. (R-Conn.) who reportedly criticized the staff and his fellow senators for failing to work hard enough in the last several months.

Following the committee meeting, Ervin and Baker told reporters they were suspending the hearings to give the staff more time to conduct its investigation. Baker said it was important that the staff have "hard facts" and "hard proof" before testimony in two areas of campaign financing is presented publicly.

Baker, vice chairman of the committee, said that the hearings can resume only when the staff says it is ready to proceed, probably some time in January. Baker said he "fully expects" the staff to come back to the committee and say, "Look, here are the witnesses and here is the proof."

Asked by a reporter if the question is when will the hearings resume, or will they resume at all? Baker replied, "It's a question of when we resume, but I don't exclude the possibility that we might not."

The committee still has two subjects of potentially great interest to take up in public session. One subject is the \$427,500 in contributions by milk producers to the 1972 Nixon re-election campaign. The contributions coincided with an administration decision to raise government milk price supports.

The second area concerns a \$100,000 cash contribution from an emissary of billion-

aire recluse Howard Hughes made in two \$50,000 installments in 1969 and 1970 to Charles G. (Bebe) Rebozo, President Nixon's close friend. The committee has received conflicting versions about the purpose of the contribution.

Rebozo has reportedly told the committee staff that he kept the money in a safe deposit box for three years before returning it to Hughes earlier this year through Hughes lawyer Chester C. Davis.

In addition to these two areas, Baker reportedly told the committee during its morning meeting that he intends to have the staff of the committee's Republican members devote time to investigating whether the CIA was involved in the Watergate break-in and whether Democratic Party officials had "prior knowledge" of the break-in.

The delay in the hearings was seen by persons close to the committee as strengthening Baker's ability to block resumption of the hearings and thus prevent

testimony that could further damage President Nixon on the one hand or demand that the hearings proceed if the minority staff can produce testimony about the CIA or Democratic officials.

Although these sources said Baker had said nothing to indicate that he wanted the hearings stopped, they indicated that it was not unreasonable for him to make the effort.

At the same time, Ervin announced that the committee had given the staff authorization to seek additional tape recordings of presidential conversations from the White House. Ervin said the committee would seek all nine tapes being sought by the special Watergate prosecutor rather than simply the five tapes the committee originally subpoenaed from Mr. Nixon. Ervin said

the additional tapes would be sought because, "We think that information is relevant to our investigation also."

Baker and Ervin said the committee's staff also was authorized to prepare a list of other tapes and White House documents it believes are relevant to its investigation so the committee can prepare subpoenas. Referring to documents already requested by the Committee from the White House, Ervin said that if negotiations to produce them fail, the committee will subpoena them also.

Baker said these actions represented a "broadening of the inquiry" as a result of new information gathered by the staff.

Ervin said the committee also was preparing to cite several Hughes employees for contempt of Congress if they fail to respond to subpoenas issued to have them testify in executive session before the committee. The employees have balked at giving testimony except in public session.

Yesterday three Hughes employees, Hughes lawyer Davis and an employee of

Davis filed suit in the U.S. District Court here asking the court to rule that they may not be required to testify except in public session.

The suit, filed by Davis as lawyer for himself and the others, charges that the staff has interviewed the Hughes employees during the last two months. Following these interviews, the suit says, "distorted and speculative accounts of the information obtained" from those interviewed appeared in the press and other media.

Davis said that he notified the committee "that he and his clients stood ready and willing to testify" before the committee "but that any such testimony should be taken at a public hearing as required by law."

According to participants in yesterday's meeting, Weicker was sharply critical of the senators and staff. One source said Weicker said that it appeared to the public that the committee was dragging. This source quoted Weicker as saying, "I'm getting tired of looking like we're sitting around here on our asses."

NEW YORK TIMES
26 November 1973

SPY SAID TO LINK CHAPIN WITH HUNT

Sources Say Segretti Told
Prosecutors Nixon Aide
Had Acted as Liaison

By JOHN M. CREWDSON
Special to The New York Times

WASHINGTON, Nov. 25—Donald H. Segretti has told Watergate prosecutors that it was Dwight L. Chapin, while President Nixon's appointments secretary, who first alerted him early in 1972 to expect a telephone call from E. Howard Hunt Jr., according to sources close to the case.

The disclosure appears to contradict a statement by Mr. Chapin, issued through the White House after Segretti's role as a political saboteur became known, in which he declared that "I do not know, have never met, seen or talked to E. Howard Hunt."

Using the alias "Edward Warren," Hunt did call Segretti in February, 1972, and from then until the Watergate break-in in June of that year suggested, during subsequent calls and visits, various covert activities that the 32-year-old lawyer might pursue.

During the time that he was in touch with Segretti, Hunt, a part-time White House consultant, was also engaged in planning and implementing the Nixon re-election organization's illegal intelligence-gathering scheme that included bugging the Democrats' Watergate offices. Hunt pleaded guilty to his role in the bugging in January.

Strachan Was Liaison

It has been disclosed previously that Gordon C. Strachan, while an aide to the former White House chief of staff, H. R. Haldeman, acted as liaison between Segretti and G. Gordon Liddy, the Nixon campaign official also convicted for his part in the Watergate bugging.

But Segretti's assertion to the prosecutors that Mr. Chapin played the same role with respect to Hunt is believed to be the first indication that the former White House appointments secretary had any knowledge of or connection with others involved in the Watergate operation itself.

Segretti eventually pleaded guilty to three misdemeanor charges arising from his activities as a Republican undercover agent during the 1972 primary elections, and is serving a six-month sentence at the minimum-security Federal correctional facility at Lompoc, Calif.

Mr. Chapin, who was reportedly forced to resign from the White House staff in February after his role in hiring

the campaign spy became known, is a marketing executive with United Air Lines in Chicago.

Mr. Chapin, also 32, is one of the few Watergate figures who have refused to appear before the Senate committee investigating the scandal. The panel decided in September not to subpoena Mr. Chapin after he said he would invoke the Fifth Amendment in response to all questions.

During a secret grand jury appearance in April, however, Mr. Chapin reportedly testified that he had hired Segretti, a college classmate, to follow the major Democratic Presidential contenders and report to him on their movements.

But he told the Federal Bureau of Investigation in a series of interviews early in 1973 that he had never seen or possessed any of the materials distributed by Segretti, and that his friend had acted largely on his own initiative and without any specific instructions from him.

Mr. Chapin further told the inquiring agents that he was entirely unaware that Segretti had had false publications about certain candidates printed.

The 'Sex Letter'

But in his testimony before the Senate Watergate committee, Segretti said under oath that he had received close and specific directions from Mr. Chapin in several instances, and that he had, in fact, sent him copies of some of the bogus publications he was having circulated.

Among these, Segretti said, were the scurrilous letter accusing two Democratic Presidential candidates of sexual improprieties and another false document declaring that a third Democratic candidate had been hospitalized for mental illness.

Segretti recalled Mr. Chapin's telling him that the so-called "sex letter," which cost \$20 to print, had brought thousands of dollars of free publicity. He said that Mr. Chapin had "laughed for a period of time" upon learning of Segretti's false accusations about the mental health of Representative Shirley Chisholm, the Brooklyn Democrat.

Two of the charges to which Segretti pleaded guilty in September involved the letter accusing Democratic Senators Hubert H. Humphrey of Minnesota and Henry M. Jackson of Washington of sexual misconduct.

Segretti began serving his six-month sentence two weeks ago, and will be released in March with time off for good behavior.

The daily routine at Lompoc, about 200 miles north of Segretti's Los Angeles home, is relatively lax in comparison with that at other Federal prisons. The inmates live in barracks rather than cells, and are allowed such liberties as sleeping through breakfast if they choose.

LONDON TIMES
9 November 1973

Swedish intelligence 'worked with CIA'

Roger Choate
Stockholm, Nov 8

Sweden's Democratic Government today faced rising demands from both Parliament and the country to lift the veil of secrecy shrouding the activities of the Swedish secret service.

Opposition leaders told Mr Olof Palme, the Prime Minister, that there must be a rapid and open investigation of what some newspapers have called "the Swedish Watergate". The affair has resulted in the detention of two magazine editors and also dominated the autumn parliamentary debate, which opened yesterday.

The political storm was started by a left-wing magazine, which published in a series of articles details of the alleged activities of the Swedish secret service known as the Information Bureau. The latest article alleged that Swedish intelligence officers had worked with Israeli agents, spied on Arab embassies and had broken into the Egyptian chancellery.

The magazine claimed that the secret service had worked closely on several occasions with the American Central Intelligence Agency, and through it had transmitted to Washington information about conditions in North Vietnam while the war was on.

Mr Gunnar Helén, the Liberal Party leader, said yesterday that he wanted an investigation into another allegation made by the magazine that the secret service had cooperated with, and turned over secret information to, certain officials within the ruling Social Democratic Party and its youth organizations. Mr Palme denied that there was any substance to the accusation.

Mr Helén also asked for a parliamentary investigation of the Government's handling of what the Swedes call "the secret service affair". This concerns the arrest last month of two of the editors of the magazine *Folket i Bild*, known as *FIB/Kulturfront*.

On October 22, the two editors, Mr Peter Bratt and Mr Jan Guillou, and three other persons, were arrested and security police raided the Stockholm office of the magazine.

Mr Carl Axel Robert, the

chief prosecutor, said the men were arrested on suspicion of spying. Almost three weeks later, the editors were still being held by police without being charged. He said, however, that he would formally press charges of espionage, perhaps tomorrow.

At the time of the arrests, Mr Robert claimed that electronic eavesdropping equipment had been used by journalists in operations which might threaten the country's national security. Police said they found material in the raid on *FIB/Kulturfront* which allegedly compromised the secret service.

The magazine's allegations shocked many ordinary Swedes, who did not know until last spring, when *FIB/Kulturfront* published its first article, that their country had a secret service. Its existence was apparently known only by a select committee in Parliament which was said to have received reports on its work, from the Defence Minister.

Mr Palme, in a remarkable interview last weekend with the influential newspaper *Dagens Nyheter*, broke his silence as pressure grew throughout the country and within his own party that he should make a statement.

He said that the September 24 issue of the magazine demonstrated that "criminal activity had taken place". The journalists, under the protective mantle of "freedom of the press", had made use of such methods as electronic eavesdropping, shadowing and false identification cards.

The newspaper noted that the Prime Minister refused to permit publication of his answers to a series of questions about the Swedish intelligence service's alleged cooperation with the CIA. Mr Palme was, however, quoted as saying that "our intelligence service would never favour one or other power block without having sole disposition of Swedish security agents."

The Prime Minister denied that the intelligence agency maintained an "ideological black-book" of suspect Swedish citizens. He said it had a list of about 5,000 names which did not have any sort of ideological connotation.

NEW YORK TIMES
22 NOV 1973

Critics Still Doubt Slayer Was Alone

By MARTIN WALDRON
Special to The New York Times

FREDERICK, Md., Nov. 21—The day begins at 5 A.M. for Harold Weisberg, former agent of the Office of Strategic Services and occasional investigator for the Senate who for the last few years has been on a personal crusade to find out the truth about the Kennedy assassination.

Shortly after Mr. Weisberg begins stirring in the chill Maryland dawn, Penn Jones Jr., a short, stubby newspaper editor 1,500 miles away in Midlothian, Tex., drives out to his farm to check on his cows, then on to the office of the weekly Midlothian Mirror. Mr. Jones has the same hobby.

Together, they are the unofficial leaders of an energetic group of Americans who do not believe the Warren Commission report that Lee Harvey Oswald acted alone when he shot and killed President Kennedy and who are still conducting private investigations into that assassination.

Some of the doubt that has arisen over the Warren Commission finding that Oswald was the lone assassin has grown out of a decision not to release some of the testimony taken in secret. Medical reports were also kept sealed until last year, when an outsider for the first time was allowed to examine some of them.

The dozen or more experienced trial lawyers hired by the commission to compile and analyze evidence agreed unanimously that Oswald was the lone gunman, although there was wide disagreement among the lawyers about many details.

The three military doctors who performed the autopsy on President Kennedy's body have never expressed doubt that Mr. Kennedy was killed by a bullet that struck him in the back of the head. Almost all of the critics have argued that the fatal shot came either from the side or from the front.

And just this week, a former commission staff lawyer, David Belin, published a book, "You Are the Jury," defending the commission's finding that Oswald was the lone assassin and attempting to rebut the commission's critics.

But even after 10 years, Mr. Jones can be reduced to outrage bordering on incoherence by a discussion of the official investigation. "There are deliberate errors in the volumes" of commission testimony, Mr. Jones said the other day.

Mr. Jones, who is a retired general in the Texas National Guard and who has won national honors for courage in journalism, estimates that 100

to 200 people are still working full-time investigating Mr. Kennedy's murder.

Mr. Jones is the developer of a theory that there is a conspiracy in the United States to murder everyone who has any pertinent knowledge about the Kennedy assassination. Thus far he has compiled a list of 72

suspicious deaths and says there may be more than 100.

Mr. Jones tends to agree in principle with New Orleans District Attorney Jim Garrison that President Kennedy was killed by the Federal Government with the connivance of the Federal Bureau of Investigation and the Central Intelligence Agency, and at least the tacit approval of the late President Johnson.

Mr. Weisberg, who has published four well-received and carefully researched books about the assassination, says that the circumstances of Mr. Kennedy's murder cry out conspiracy. He says he views the Warren Commission investigation as a "whitewash," the name he gave to three of his books.

Most of the doubt about the Warren Commission's finding has been based on conflicting statements by witnesses. But these views have been backed in recent years by scientific inquiry.

Dr. Cyril H. Wecht, coroner of Allegheny County, Pa., (Pittsburgh) said last year after studying autopsy material that had been kept secret for almost eight years: "From a hard physical evidentiary standpoint, there was more than one person shooting." The single-bullet theory is absolute nonsense.

The Warren Commission concluded that one bullet pierced President Kennedy's neck, went through the chest of then Texas Governor John B. Connally Jr., and then on through Mr. Connally's wrist into his leg.

"Once that theory is destroyed, we must conclude that more than one person fired," said Dr. Wecht, who is past president of the American academy of Forensic Sciences.

A theory that President Kennedy's assassination was arranged by munitions makers has been made into a movie, "Executive Action."

The movie is based on a novel by Mark Lane, a New York City lawyer who was one of the early critics of the Warren Commission and who published a book, "Rush to Judgment," which was critical of the commission's investigation.

Among the majority of Americans either convinced or open to the idea that others besides Oswald were involved in the assassination—64 per cent in a Gallup poll released

WASHINGTON POST
25 November 1973

Forum Airs Plot Theory In Killings

By John Hanrahan
Washington Post Staff Writer

A myriad of conspiracy theories, including one attempting to link the assassination of President John F. Kennedy to some of the figures involved in the Watergate affair, were raised yesterday on the concluding day of a two-day conference here on political assassinations of the last decade.

Various theorists at the conference at Georgetown University's Gaston Hall attributed President Kennedy's assassination to organized crime, the CIA, anti-Castro Cubans, big businessmen, the late President Lyndon B. Johnson, soldiers of fortune or combinations of these elements.

In most instances, the theories were old ones brought up to date. While some theorists exonerated Lee Harvey Oswald of the assassination of President Kennedy, others said Oswald may have been a minor figure in a large conspiracy.

What was different about the discussions from those of earlier years was the apparent widespread feeling that the Watergate affair and cover-up had links to President Kennedy's assassination in Dallas 10 years ago last Thursday.

Although the conference sponsor, the private, Washington-based Committee to Investigate Assassinations (CTIA), had not listed Watergate on its program, the issue was brought up yesterday afternoon by Chicago-based gadfly

in January, 1967—was President Johnson.

Leo Janos, a Time magazine writer and a former Johnson aide, said that President Johnson had told him a short time before his death that he had never believed Oswald acted alone.

Writing in The Atlantic Monthly, Mr. Janos said that President Johnson had told him that "a year or so before Kennedy's death, a CIA-backed assassination team had been picked up in Havana. Johnson speculated that Dallas had been a retaliation for this thwarted attempt" to kill Cuban Premier Fidel Castro.

Sherman Skolnick, who was in the audience. A sizable portion of the audience of about 200 persons appeared to support Skolnick's successful effort to put Watergate on the agenda.

Skolnick, the chief proponent of the theory that there was deliberate sabotage in the plane crash that last December killed Dorothy Hunt, wife of Watergate conspirator E. Howard Hunt Jr., stirred up the conference by questioning what he alleged were possible links between the CIA and the CTIA.

He questioned why the conference was being held on a CIA campus, a reference to CIA-sponsored research that has been carried out at Georgetown and suggested that at least two prominent CTIA members have ridden CIA lies.

One of the panelists, Dr. Richard Popkin, professor of philosophy at Washington University at St. Louis, said that many other countries have had political assassination conspiracies, yet American officials here would have the nation believe that the assassinations of the last decade have been carried out by "a lone nut." Popkin said the Watergate affair, with its "conspiracy to re-elect the President," should convince Americans once and for all that conspiracies do exist and that President Kennedy was the victim of one.

Although none of the panelists dealt specifically in their prepared remarks with links between Watergate and President Kennedy's murder, various members of the audience contended that there may exist evidence to show that persons arrested in the break-in at Democratic Headquarters in the Watergate also were in Dallas on the day of Mr. Kennedy's assassination.

Ramparts magazine and many underground and smaller circulation publications have suggested in recent months that there may be direct links between the Dallas shooting and the Watergate affair but, as some members of the audience said yesterday, the major news media have ignored this possible connection.

Peter Dale Scott, author and professor at the University of California at Berkeley, said there were "lessons of Watergate" that should be applied to examining what he said was the "cover-up" of the facts about the Kennedy assassination.

The Watergate affair also showed, he said, that the persons involved in the cover-up need not necessarily have been involved in the original crime. He said he suspects this was the case in the investigation of Mr. Kennedy's

murder.

In a morning panel discussion, authors of various books and articles on political assassinations expressed frustration over not being able to interest major news media in newly discovered evidence or theories relating to the political murders and attempted

murders.

Although some panelists said they felt there was a new willingness by the news media to do more investigative reporting as a result of the Watergate affair, others said there was still a strong reluctance in the media to reopen investigations of assassinations.

WASHINGTON STAR
23 NOV 1973

A Super Bowl for Theorists

By Mike Winship
Special to the Star-News

Their investigators work out of a crowded office in a 16th Street apartment building. Taped to the door is a piece of scrap paper with the scrawled letters "CTIA"—the office's only identification.

Inside, the small rooms are packed with books, papers and filing cabinets. An oscilloscope and several radios sit near a window, and the walls of one cubicle are covered with maps of Texas and England.

The initial undercover look of the office disappears with the appearance of Bob Smith, director of research of the Committee to Investigate Assassinations.

"Are you looking for Bud?" he asks, and picks up a light coat. "He's over at his office. Let's go."

Wait a minute—are those maps being used to track down the escape routes of professional assassins? Oh, no, Smith shakes his head and gives a pained look. "Our secretary, Andrea, just joined Triple A. She puts them up for decoration."

THE COMMITTEE to Investigate Assassinations, organized in 1969, believes that the official explanation for the murders of the Kennedys, Martin Luther King Jr., Malcolm X, American Nazi leader George Lincoln Rockwell, and the shooting of George Wallace have been woefully inadequate.

Privately funded, the committee has two full-time, unpaid staff members in the network of "doctors, lawyers, writers, architects, housewives, Indians, paranoids and hardheads" around the country who have become amateur sleuths attempting to uncover what they think may be the true stories behind the shootings.

The amount of research material in existence is staggering. By Smith's estimate, the National Archives has ten times more documentary evidence about the murder of John Kennedy than is contained in the entire 26 volumes of the Warren Commission Report.

As chief counsel to the Senate subcommittee on administrative practice and procedure from 1964-1968, Fenster-

wald wanted to see a separate Senate investigation into the Kennedy assassination.

The chairman of the committee, at that time, Sen. Edward Long, was unable to act on the suggestion because of re-election troubles in Missouri (he was defeated in the 1968 Democratic primary by Thomas Eagleton) and a Life magazine article that accused him of secret dealings with the Teamsters Union.

Fensterwald went into private practice and proceeded to organize CTIA's team of investigators.

The CTIA's efforts soon expanded into other cases besides the first Kennedy assassination—Martin Luther King Jr., Malcolm X, Rockwell, and Robert Kennedy.

Events forced expansion of their investigations: "We couldn't help but worry about the Wallace shooting, too."

CTIA is especially interested in how Wallace's would-be assassin, Arthur Bremer, was able to afford his travel around the country in pursuit of his victim.

CTIA has accumulated a massive system of files of material collected from around the world. Most of the documents, articles, and copies of declassified material will be turned over to Georgetown University's library for safe-keeping.

But the committee sees its function as much more than a depository for information. "We're sort of the leading edge of the 'Let's solve the murder movement,'" Fensterwald said.

They have filed several lawsuits to release information still withheld in the various cases, and they lobby on the Hill for legislation to declassify restricted material and reopen official investigation.

Also on hand is a list of more than 25,000 names of people who have been involved in the various investigations to date.

"You'd be surprised how many names keep cropping up," Fensterwald commented. "Not necessarily with any criminal connection—but when Frank Sturgis' name came up in the Watergate case, we knew who he was."

STURGIS, one of the five men arrested in the Watergate offices of the Democratic National Committee, lived in Miami at the time of the John Kennedy assassination under the name of Frank Fiorini. He ran a group called "The International Anti-Communist Brigade," and one of its members, according to Fensterwald, later claimed that Lee Harvey Oswald had attempted to infiltrate the group. But, added Fensterwald, the FBI "had no record of Oswald's being in Miami."

A subpoena to appear before the Senate Watergate Committee is taped to Fensterwald's bookcase. He is serving as a defense counsel to James McCord, another of the Watergate Five.

Does McCord see any conflict of interest with private investigation that might draw even a tenuous link between Watergate and misdeeds of the past?

"Jim McCord was well aware of my hobby before I became his lawyer," Fensterwald stated. "He has never helped or hindered us. The only thing I have against Jim is that he's such a straight Methodist."

"Even before Watergate, I refused to write off anything as preposterous," he added. "But before that happened, we have had a theory in this country that goes back well over 100 years, and it has to do with our national ego. You can have a political conspiracy in France. Guatemala, Russia or anywhere — political murders are often committed by a political group for political reasons — but in this nation we have been so pure, so democratic and unviolent that only a nut could perform an act like that."

It's that attitude that has kept the official investigations of assassinations from being complete, Fensterwald believes.

"In all of these cases, the sloppy work that's been done, whether accidentally or on purpose, would never suffice in the average murder case," he claims.

"If John Kennedy had been John Doe, a coroner's jury would have demanded considerably better proof than the Warren Commission got."

WASHINGTON STAR

24 NOV 1973

Experts Analyze a Decade of Slayings

By John Mathews
Star-News Staff Writer

The experts and buffs dutifully extend their hands to an aide at the registration desk who brands them with an inked stamp reading: "Committee to Investigate Assassinations."

Then, they move to seats in cavernous Gaston Hall at Georgetown University to hear the lawyers, researchers and writers dispute the official versions of the killings of John F. Kennedy, Robert F. Kennedy, Martin Luther King Jr., George Lincoln Rockwell and the attempt on the life of Gov. George C. Wallace.

Yesterday, the proceedings at the Conference on a Decade of Assassinations were low-key. Lawyers spoke of new attempts to reopen the cases of Sirhan Sirhan and James Earl Ray. A forensic pathologist and medical examiner disputed the autopsy report on John Kennedy. And, a former CIA agent described how the Psychological Stress Evaluator can give some indication whether a recorded voice is telling the truth.

TODAY, the final sessions of the conference should perk up as the talk goes beyond disputing the findings of the Warren Commission and past trials and delves into the scores of conspiracy theories for the political assassinations of the last decade.

In a keynote talk, author Norman Mailer gave a philosophical rationale for holding the conference deliberately timed to coincide with the 10th anniversary of the Dallas assassination of President Kennedy.

Assassinations have "made our history obsessive," Mailer said, leading people to either spend years disputing the official accounts or to blot from their minds the possibility that they could be wrong. "When

a nation decides to alienate itself from its history, what we have got is a condition of apathy . . . known as those years before totalitarianism," he said.

Lawyers now representing Sirhan and Ray both maintained that earlier courtroom defenses were inadequate and that ballistics evidence indicated they were not the killers of Robert Kennedy and Martin Luther King.

Robert Hanson contended that Sirhan was physically not in a position to shoot Kennedy, although he did shoot bystanders. Someone else killed Kennedy, he said.

JAMES LESAR, who now represents Ray, the convicted killer of Dr. King, said he was "framed" and that unknown conspirators responsible for the actual slaying are still at large. The 6th U.S. Court of Appeals is expected to rule soon on whether Ray is entitled to a new hearing on evidence which was not introduced previously, Lesar added.

The convicted killer of George Lincoln Rockwell, the American Nazi Party leader, was defended by a non-lawyer, Meredith Rode, an art professor at Federal City College here. Former Nazi John Patler, who was sentenced to 20 years for the Aug. 25, 1967 killing by Arlington Circuit Court, should be given a new trial, Rode said, because of numerous contradictions in the evidence.

Rode, who taught a class in which Patler was enrolled while free on bail and became convinced of his innocence, said his case attracts virtually no interest.

Ronald Van Doren, a journalist, acknowledged that the evidence was "fairly clear" that Arthur Bremer had shot Gov. Wallace at a Laurel shopping center on May 15, 1972. "The large-

er question is who pulled the trigger on Arthur Bremer," Van Doren said.

The chief witness against Bremer, he added, was his own diary, which appears to be more a fabricated work than an actual record of his activities. Van Doren indicated that Bremer was probably manipulated by others. He questioned why the Watergate investigations have not disclosed any evidence of "dirty tricks" against Wallace, who appeared to be the leading candidate for the Democratic presidential nomination at the time of the shooting.

VAN DOREN provided one of the few moments of comic relief at the conference when he said Bremer had a "spook mentality," then added, "I apologize to any spooks who may be here."

Much of the talk at the opening session dealt with disputing the "single-bullet theory" of the assassination of President Kennedy: the official Warren Report version that the same bullet struck both Kennedy and then Texas Gov. John Connally. Dr. Cyril H. Wecht, the coroner of Pittsburgh and Allegheny County, Pa., said the scientific evidence supports the critics who dispute the theory.

In August 1972, Wecht was allowed to view medical evidence at the National Archives, but did not see the preserved brain of Kennedy, microscopic slides of tissue removed from bullet wounds and some photos. Wecht said he does not know whether the Kennedy family has withheld the evidence but thinks it is in the Archives.

The bullet recovered at Parkland Hospital in Dallas and purported to have passed through both Kennedy and Connally could not have hit both victims since it is virtually intact, Wecht said. The bullet was fired

with the rifle Lee Harvey Oswald allegedly used, but Wecht said he considers it a "plant." He would not speculate on its origin.

AS HE has in the past, Wecht severely criticized the official autopsy performed by military doctors at Bethesda Naval Hospital. The military pathologists "did what their superior officers told them to do," he said, including failing to track the path of the other bullets through Kennedy's brain.

Conference sponsors, including Bernard Fensterwald Jr., the lawyer for Watergate conspirator James McCord (Fensterwald heads the committee To Investigate Assassinations) dissociated themselves from a demonstration at the Archives to demand release of all evidence, including the late President's brain.

"The demonstration has nothing to do with us; we stick to scientific and legal evidence," Fensterwald said. Only a handful gathered to demonstrate. They left after the announced speakers did not appear.

WASHINGTON STAR

25 NOV 1973

Debating the Assassinations

By John Mathews
Star-News Staff Writer

The Conference on a Decade of Assassinations closed yesterday with participants trading charges of conspiracies to disrupt the proceedings or to limit the scope of the discussion.

About 400 dissidents among the 200 participants demanded and got a final session to discuss the possibility of links between Watergate conspirators and the assassination of President John F. Kennedy a decade ago in Dallas.

"Our host, Mr. Fensterwald, should be knowledgeable about that since he represented James McCord, the Watergate spy some of us believe was at Dealey Plaza (in Dallas)," said Sherman Skolnick, a spokesman for the dissenters.

Bernard Fensterwald Jr., the local lawyer who organized and supports the

Committee to Investigate Assassinations that sponsored the two-day conference, said the group led by Skolnick "are the type who should normally be called Know-Nothings."

"It's discouraging that serious efforts like these have to be disrupted," he said. "I don't have any proof, but... federal agencies could be interested in disrupting this conference. They have fought us in the past in every way I can imagine."

ANOTHER dissident, A. J. Weberman, a well-known figure in the underground press, said that "left-wing assassinologists have been excluded from the conference." He added that the sessions at Georgetown University "could be a CIA front to keep an eye on what people are learning about the assassinations."

Fensterwald countered that all points of views were

represented among conference speakers. "Most of us on the committee are liberal Democrats, and if anything, we have been accused of being too far to the left."

Skolnick, who led the dissidents at the assassination conference, heads his own Committee to Clean Up the Courts in Chicago. Recently, he has conducted an investigation of the plane crash last Dec. 8 in Chicago in which the wife of E. Howard Hunt, another Watergate conspirator, was killed. Skolnick charges the flight was sabotaged and that the media and the government have conspired to cover up the facts of the crash.

Despite the dissent at the final day of the conference, discussions continued with virtually no new facts disclosed, but with much re-

view of well-aided conspiracy theories.

DONALD FREED, co-author of "Executive Action," the new film on the assassination of President Kennedy, urged assassination buffs to "strike a balance between paranoia and naivety."

Along with Mark Lane, the other author of "Executive Action," Freed said he rejected the comment of the producer that the films was "pure entertainment."

Peter Noyes, a Los Angeles television news producer who has written a new book, "Legacy of Doubt," alleging that a Mafia figure was connected to the assassination of President Kennedy, said, "Until we have the power of subpoena and a congressional investigating committee takes action, we will accomplish nothing."

CHRISTIAN SCIENCE MONITOR

16 NOVEMBER 1973

Kissinger-style diplomacy—it's less of what, more of why

By Charlotte Salkowski
Staff correspondent of
The Christian Science Monitor

Washington

Diplomat, extraordinaire Henry Kissinger has a new directive on for American envoys abroad. It says in effect:

- Give me fewer dry facts and more analysis.

- Keep it short.

- Include any dissenting views

Amid the swirl of high-level diplomacy, the Secretary of State has had little time to run the State Department. But he has made clear he wants to rejuvenate the bureaucracy and, when time permits, will devote some energy to the mundane problems of administration. More personnel changes are expected soon, also.

Meanwhile, bits and pieces of his thinking are beginning to surface. A recent cable to U.S. embassies abroad he comments on the "sheer volume of information" which flows into the department as contrasted with the "paucity of good analytical material."

For reporting to be useful, he says,

"I require not only information on what is happening, but your most thoughtful and careful analyses of why it is happening, what it means for U.S. policy and the directions in which you see events going."

The Secretary also advises his mission chiefs to cut out marginal

interest items and to make reports "cogent and concise." In his words, "Verbosity too often seems to substitute for careful thought."

Lastly, Dr. Kissinger urges foreign-service officers who disagree with judgments and policies of superiors to make their views available to him. But, indicating he wants discipline in the ranks, he warns this must be done through "controlled channels" and not in the press.

Those who work with Dr. Kissinger say he does not enjoy spending long hours on such matters as what bureau should do what. But he apparently is determined to infuse a new spirit at the department.

Policymaking broadened

Although he continues to wear a White House hat as special assistant to the President, say aides, he really has moved over to State. More officials have been brought into policymaking, and some members of his National Security Council staff are said to be at a loss to know what their role is now.

His operating style remains the same. He works incredibly long hours and has so many balls in the air that there is a frantic quality to his activities that leaves some subordinates confounded and others stimulated.

The tightest secrecy surrounds delicate negotiations, and lines of com-

munication to division heads have yet to be fully worked out. Some high officials have been irked because they were not clued in on communications relating to the Middle East crisis.

Mindful of sensitivities on Capitol Hill, however, the globe-trotting Secretary has found time to keep the Congress informed of broad Mideast and other developments, as he promised to do when first nominated.

Sen. J. W. Fulbright (D) of Arkansas, chairman of the Senate Foreign Relations Committee, says Dr. Kissinger's effort on this score has gone far beyond that of any other secretary of state in his experience.

During his travels the committee has been receiving messages via an undersecretary, says Mr. Fulbright, and Dr. Kissinger has asked to meet with the committee next week.

Meanwhile, the atmosphere on the seventh floor of the State Department is described by some as "turned on." Clerical secretaries who went in reluctantly now are swept up in the glamour of it all.

His energy is becoming legendary. "I worked with him on a speech until 4 a.m.," recalls one official. "At 1 a.m. I was out mentally but he was going like a house afire, pouring in new ideas and suggestions."

Reaction to Dr. Kissinger's mes-

NEW YORK TIMES
28 November 1973

Foreign Service Expects to Lose Sisco

By BERNARD GWERTZMAN
Special to The New York Times

sage on reporting from the field seems favorable. Younger foreign-service officers especially, who have been frustrated by the lack of intellectual stimulation at lower levels, applaud the new guidelines. One FSO adds, however, that if the Secretary wants more "think pieces" ambassadors must be kept informed about high-level communications affecting their countries.

Some veteran diplomats, with just a trace of cynicism, say there is nothing new in the idea, that a call for focusing on the "why" rather than the "what" goes out from Foggy Bottom every 10 years.

But, it is conceded, "it's still a good idea."

WASHINGTON POST
24 November 1973

Shake-Up Coming At State

By Richard Reston
Los Angeles Times

President Nixon will approve a diplomatic package next week covering a major shake-up at the top of the State Department and changes within U.S. ambassadorial ranks.

Mr. Nixon's decision to move ahead will give Secretary of State Henry A. Kissinger the new team he wants to strengthen his leadership in the foreign policy field. The diplomatic appointments also will fill several long-standing vacancies in key American embassy posts overseas, particularly in Moscow.

It was understood that the State Department's top Middle East expert, Joseph J. Sisco, will be named under secretary of state for political affairs, traditionally the third-ranking slot in the department. Sisco, now assistant secretary for Near Eastern and South Asian affairs, will replace William J. Porter.

Ambassador William B. Bufum is returning from his post in Beirut to take over the Sisco job, informed sources said.

The new U.S. ambassador to Moscow will be Walter J. Stoessel Jr., assistant secretary for European affairs. His appointment will end a vacancy there that dates back to January.

The last American ambassador in Moscow was Jacob D. Beam, who retired from the Foreign Service early this year.

Stoessel, 53, speaks Russian

WASHINGTON, Nov. 27—Joseph J. Sisco, the State Department's top official on Middle East affairs, is expected to leave the Government soon to accept a college presidency, a well-placed Administration official said today.

The word of the departure of Mr. Sisco, who has been actively involved in the intensive Middle East diplomacy of the last two months, has come as a surprise since it had been assumed by many officials that he would remain working for Secretary of State Kissinger either in his present job or in a new one.

But it was understood that Mr. Sisco, the Assistant Secretary of State for Near Eastern

and South Asian Affairs, had made up his mind to accept the college post some time ago, before the current Middle East crisis.

The source declined to name the college pending a formal announcement in the next few weeks.

Mr. Sisco's expected departure is one of the more significant State Department changes expected in the wake of Mr. Kissinger's taking over as Secretary of State in late September.

A department official said that a long list of Mr. Kissinger's choices to fill vacant ambassadorships and State Department posts had recently been sent to the White House for final approval and announcement.

Stoessel Appointment Seen

The most significant ambassadorial appointment expected to be made known in coming days is that of Walter J. Stoessel Jr., the Assistant Secretary for European Affairs, as the new envoy to the Soviet Union.

Mr. Stoessel, who is 53 years old, has had extensive experience in the Soviet Union, and speaks Russian. His name has been long rumored to be that likely to be put forward to fill the vacancy existing since Jacob D. Bean retired in January.

Authoritative sources said that Mr. Stoessel's replacement as the department's top official on European affairs would be Arthur A. Hartman, who is the No. 2 man in the American mission in Brussels that deals with the Common Market countries.

Mr. Hartman, who is 47, is relatively young to hold the Assistant Secretaryship, but he has been strongly recommended by former Under Secretaries

of State George W. Ball, Nicholas deB. Katzenbach and John N. Irwin 2d, for whom he worked.

Mr. Kissinger, when he replaced William P. Rogers as Secretary of State, ordered a delay on most high-level appointments so that he could have a chance to review them and make his own recommendations.

During his confirmation hearings, he told the Senate Foreign Relations Committee that he expected to fill all vacant spots by the middle of November, but about 30 key jobs are still unfilled.

Aides to Mr. Kissinger said that the delay had been caused in part by the Secretary's involvement with the Middle East crisis.

Sisco To Aid Transition

Mr. Sisco has agreed to remain in his post as long as necessary to maintain continuity in the Middle East diplomacy. He has also told friends that he had no personal problems in working with Mr. Kissinger or any political dissatisfaction with the Nixon Administration.

On Mr. Kissinger's recent trip to the Middle East, Mr. Sisco played a major role in persuading the Israeli Government to accept the six-point cease fire agreement worked out by Mr. Kissinger in Cairo.

The assignment of Mr. Stoessel to Moscow would end a major and embarrassing vacancy, but is not expected to end Mr. Kissinger's preference for dealing with the Soviet leaders through the Soviet Ambassador, Anatoly F. Dobrynin. A high department official who recently resigned is Ray S. Cline, Assistant Secretary for Intelligence and Research, who joined the Georgetown University Center for Strategic and International Studies.

and French. He served two previous tours in Moscow, as a political officer from 1947 to 1949 and counselor from 1963 to 1965.

He also gained experience in the Communist world as U.S. ambassador to Warsaw from 1968 to 1972, when he returned to the State Department to his present job.

Stoessel's appointment requires confirmation by the Senate.

It was not known who will replace Stoessel, but it was understood that his replacement will come from within the ranks of the Foreign Service.

One unconfirmed report indicated that Porter might be named U.S. negotiator in upcoming peace talks between the Arabs and the Israelis.

Other major appointments in the package before the President include Helmut Sonnenfeldt for a top job at the State Department. In recent years Sonnenfeldt has been Kissinger's top Soviet expert on the National Security Council.

There also were reports that William J. Casey, under secretary of state for economic affairs, is leaving the department. It could not be determined whether this move is part of the package Mr. Nixon will approve.

Informed sources said that the President will name a number of other ambassadors to key overseas posts. The positions include ambassadors for Japan, Argentina, Mexico, Chile, Columbia, Venezuela, Panama and Costa Rica.

The President is also expected to name a new ambassador to the North Atlantic Treaty Organization to replace Donald Rumsfeld, who apparently is returning home from Brussels.

It was understood that William Jordan, now on the National Security Council, will get one of the Latin American

WASHINGTON POST
12 November 1973

Classifying Limit Asked By Ripons

Warning that government secrecy is increasingly being used by the White House to stifle public debate over foreign policy, the Ripon Society yesterday urged Congress to limit the number of presidential aides authorized to classify documents and to provide penalties for overclassifying documents.

A National Security Information Act proposed by the society, a liberal Republican policy and research group, would "restore a balance between the need for official secrecy to ensure national security and the need for official openness to ensure adequate debate," according to a paper the organization issued yesterday.

"Although governmental secrecy is important for the national security, today its more significant role is as a tactical, political weapon, employed by the executive branch to prevent legitimate, democratic challenges to its international policies," the society charged.

The society recommended legislation that would guarantee the House Armed Services and Foreign Affairs committees and the Senate Armed Services and Foreign Relations committees "access to all top secret information, without access controls imposed by the executive branch." Those committees, and not the White House, would control the release of secret information to other members of Congress, Ripon suggested.

Although it was not singled out as justification of the society's 13-point proposal for "presidential restraint," the White House decision to conduct secret bombing missions in Cambodia in 1969 and 1970 and disguise them as attacks in South Vietnam was the most dramatic recent example of congressional oversight committees being deprived of accurate classified information.

Disclosure of the bombing last July angered members of the Senate Armed Services Committee, who—with the exception of Barry Goldwater (R-Ariz.)—said they had not been informed of the decision.

The Ripon Society also proposed that Congress fix the length of time a document should be classified at each clearance level, and that if the White House wanted to extend the period "it should be forced to accept the burden of

POST-GAZETTE, Pittsburgh
17 November 1973

CIA: When to Say 'Never'

THE CENTRAL Intelligence Agency has come in for some heavy criticism over the last few decades. Almost nobody likes the idea of a secret police or counter-revolutionary corps plotting or aiding in coup d'etats abroad and burglaries at home and using techniques more appropriate to the underworld of organized crime than to an arm of the U.S. government.

Yet, from the tragicomic Bay of Pigs to the overthrow of Diem to the secret subsidization of labor, student and other groups and of certain publications, the CIA has by all reports been up to its spook's spyglass in dirty tricksterism in the name of America's national interest.

It is in the wake of Watergate-related testimony, however, that a move is being initiated to draw more clearly at least some of the CIA's parameters. Rep. Lucian Nedzi, chairman of the House subcommittee on intelligence operations, is working out legislation to plug charter loopholes which, by someone's interpretation, permitted the agency to prepare a psychiatric profile of Daniel Ellsberg and to lend to the White House "plumbers" material used in the Ellsberg burglary.

According to its charter, the CIA is supposed to keep its surreptitious nose out of domestic "law enforcement" matters—the domain of other agencies such as the FBI and the Secret Service.

For our part, we welcome any carefully thought-out legislation which attempts further to insure against the CIA's becoming a government unto itself, answerable to only a handful of appointed, mostly obscure officials and appearing at times to carry out a foreign policy antithetical to the State Department's official policy and

at other times to meddle in domestic policy.

We caution, however, that any remedial legislation should be firmly predicated on two basic observations: (1) the CIA, as a division of the executive branch, was, is and will be,—no matter what proscriptive legislation says of it—subject to proper use or gross abuse by the chief executive, on whose integrity and wisdom much depends and (2) so long as this planet is planted with separate nations competing with each other for natural resources, wealth and power, the bad practices among them will tend to drive out the good.

Not for one moment should even the most beneficent and generous internalist believe that the dirty tricksterism—the prying, spying, political influencing and sabotaging—associated with the CIA is unique to it or to this nation.

Nothing in the history of humans or in the study of their behavior suggests that other nations will forbear doing unto us, when it suits their interests, as we would do unto them, when it suits our own; unless, that is, they be prevented by our being forewarned.

From America's legitimate national interests, spying on other nations is not only acceptable but necessary. The questions are: (1) When, if ever, is plotting the overthrow of another nation's government a legitimate function for the CIA or any other U.S. agency? (2) When, if ever, is the spying on citizens and non-citizens within the U.S. by the CIA acceptable? (3) When, if ever, is the breaking of the law and the blatant violation of personal liberties by the CIA permissible in the name of national security.

If the first two questions do not admit to simple, sweeping answers, the last one does. It is "never."

"proof."

The society also urged President Nixon to withdraw his proposal to make leaking classified information a crime, regardless of whether or not the information was properly classified.

By withdrawing the bill, the President could demonstrate his own willingness to "turn away from the obsessions of the past and turn to the great challenges of the future," Ripon said, quoting Mr. Nixon's televised Watergate statement last month.

GENERAL

WASHINGTON STAR
8 November 1973

U.S. Opium War: Too Effective

By Elizabeth Duff
Knight News Service

When the United States made a whole-hearted effort to convince the Turks to stop growing poppies in 1971, the idea was that in 10 years, America's heroin supply would be dried up.

But the strategy has brought its own unlooked-for result: A growing hospital crisis across the country as the supply of pain-killing drugs dwindles to shortage levels.

The U.S. government's campaign to put an end to the growing of the opium-bearing poppy plant in Turkey is a great success — such a success that the country now faces a growing shortage not just of heroin but also of morphine and codeine for legitimate use.

The three U.S. drug companies licensed to import opium say the government's anti-poppy, anti-heroin pact with Turkey is mainly to blame for the nation's disappearing supply of morphine and codeine. The government says a drought in India, which was supposed

to have supplied opium for medical uses, is to blame.

Meantime, the nation's supplies of codeine and morphine — both opium derivatives — continue to dry up.

IN 1967, the three drug firms — Merck and Co., Mellinckrodt and S. B. Penick — had on hand about 50,000 kilograms of opium and its derivatives — a two-year supply. By last year, that stock had dwindled to 25,000 kilograms, and today is down to a few thousand. "There's just no treasure trove of this stuff lying around anywhere anymore," says one pharmacologist.

So far as is known, no one in acute pain has yet been refused morphine by a hospital, but it could begin to happen in a few months, druggists say. Demand by the medical profession for opium derivatives has risen about 20 percent over the past year.

"It could become very serious if nothing isn't done," says American Medical Association scientific writer Frank Chappell. It

all depends, he says on how severe the cold and flu season becomes. Codeine is used mainly in cold medications.

But the roadblocks to opium imports involve factors from delicate international relations to Watergate.

Some nations stopped growing their own. The Soviet Union, for example, imported 200 tons last year for the first time.

Pressure continues to rise on India, the only legal worldwide supplier since the United States began paying Turkey to stop growing opium in 1971.

But India this year suffered a massive drought which killed more than 20 percent of its crop.

Once seen a solution, synthetic substitutes for opium-derived painkillers developed in the early 1970s haven't been nearly as potent as the original products, says Dr. Joseph Cochran of Boston University.

The import situation for next year also looks bleak. Of the 385 tons the industry needs, it will probably get

about 190, officials estimate.

The 1971 deal cutting off all Turkish opium exports might have been acceptable if drug firms had the government not then talked India into producing less as well.

The crisis appeared to be waning early this year when Sen. Stuart Symington D-Mo., introduced a measure ordering the General Services Administration to sell opium from U.S. war stockpiles.

The Senate quickly passed the bill and sent it to the House Armed Services Committee, which held hearings this fall. Before reporting the bill out, they requested more information from the National Security Council.

Then came the latest Watergate revelations. The opium bill, like so many others, is lying dormant.

Help may come from an unexpected corner. Since Turkey stopped production nine months ago, the Turks have held new elections, and the party that won — promised to put Turkey back in the poppy business.

WASHINGTON STAR-NEWS
Washington, D. C., Thursday, November 15, 1973

Mexican Heroin Hits U.S.

The United States is being flooded with "brown" heroin from Mexico — at least partially as a result of a successful crackdown on sources of "white" heroin from France and Turkey, the head of the Drug Enforcement Administration said today.

John R. Bartels Jr., administrator of the newly formed agency, said in an interview that the Mexican heroin — previously unknown on the East Coast — has recently been detected throughout the eastern states.

The two types of heroin are distinguished by a difference in the way they are produced, Bartels said.

WHITE HEROIN comes from Turkey and is processed in small laboratories

near Marseilles. In Mexico, one step in the process is skipped, leaving the heroin with a brownish color. Thus, the drug's origin becomes simpler to determine.

Within the last year, a combination of law enforcement, diplomacy and treatment has caused a significant reduction in heroin abuse in big East Coast cities, Bartels said.

The United States persuaded Turkey to restrict the production of opium poppies that supply the raw material for heroin and, at the same time, worked with the French to shut down the Marseilles labs.

An intensive treatment effort helped reduce the demand for heroin while narcotics agents sought to break up the traffic within

this country.

That victory, however, may be short-lived, Bartels said, because of the influx from Mexico.

BARTELS SAID there is no way of knowing how much heroin is moving through the underworld at any one time. But the kinds either seized or purchased by agents indicate where it is coming from.

As recently as a year ago, none of the heroin picked up by agents along the East Coast had the brownish tint of Mexican heroin. Of all of the heroin obtained by the agents throughout the country, 71.7 percent was white and only 28.3 percent brown.

By the middle of this year, brown heroin was

being found nationwide. Of all the heroin picked up, 54.9 percent was brown and only 45.1 was white.

THE SHIFT from white to brown heroin has been even more dramatic over a slightly longer time period. In fiscal 1972, 92 percent of the heroin picked up was white and only 8 percent brown. In fiscal 1973, the average was 62.9 percent white and 37.1 percent brown. By the end of fiscal 1973, more brown than white was being picked up.

Bartels said U.S. officials are working with Mexican officials in an effort to control the flow of brown heroin, but the long border between the two countries complicates the task.

— ORR KELLY

WASHINGTON STAR-NEWS
Washington, D. C., Wednesday, November 28, 1973

Japan's Drug Cure: Pain and Suffering

By Donald Kirk
Knight News Service

TOKYO — The Japanese have their own special cure for the problem of drug addiction. It is called punishment.

"The experience of pain and suffering is the best medicine," says Skira Onitake, chief narcotics officer for the Ministry of Health and Welfare. "It is very rare after such an experience for a patient to be cured and leave the hospital and then become addicted again."

Japanese hospitals legally can administer methadone to lessen the pain of withdrawal, but doctors and narcotics officials alike prefer an addict to sweat it out in a special "protection room." The tough policy on withdrawal epitomizes the attitude of Japanese law and society toward drug use in general — and may go far toward explaining why Japan, alone among industrialized, non-Communist societies, does not suffer from a severe drug problem.

"THE TREATMENT you give to addicts in the United States is much too mild," says Onitake, peering through gold-rimmed glasses from behind a desk piled high with books on drug problems. "I do understand you Americans emphasize 'individualism' and 'respect for human rights,' but for total social betterment, our drastic treatment works much better."

Onitake is even more critical of what he regards as the relatively light penalties given those convicted of possession or sale of narcotics in the United States.

"Here in Japan everyone knows through education and our anti-drug campaign that narcotics is a crime that finally will destroy life and, in the long run, your country," says Onitake. "Once indicted here, a criminal will not be released until completing his sentence. Otherwise he will

commit the same crime again and again."

It was not always that way in Japan. In 1960, as narcotics officers report, almost with pride, the country had a minimum of 40,000 addicts — and possibly as many as 200,000. Then, in 1963, the country adopted a tough law that provided for sentences up to life for selling heroin.

"WE ALSO reinforced inspection at ports with the aid of police and customs offices," says Onitake. "Since most narcotics crimes were related to organizations of gangsters, we decided to sweep them out by indicting and disorganizing them."

In two years, Onitake reports, "we succeeded in digging up the roots of the crime in this way." Since 1970, he claims, there has been not a single case of heroin addiction — even though Japan has nine hospitals specializing in all problems relating to dependence on drugs and alcohol.

While justifiably proud of their record of stamping out the use of heroin, Japanese officials admit they are now slightly stymied by the re-emergence of a postwar problem in the form of the use of stimulants — "uppers," in the American vernacular.

"The use of stimulants began a rapid rise in 1970," says Toshi Kayano, senior superintendent of the criminal investigation bureau of the national police agency. "Since then the total arrested has doubled every year, up to 4,709 in 1972."

KAYANO fears that the problem may eventually mushroom to the proportions reached after World War II. Ironically the war was primarily responsible for the introduction of stimulants, notably a concoction known as philopon. It was mass-produced legally and distributed to soldiers to

keep them alert and anxious to fight.

It was partly under the influence of philopon that Japanese soldiers were able to keep fighting fanatically to the death against seemingly overwhelming odds. Soldiers shouting "banzai" as they charged American foxholes had absorbed heavy doses of the drug, in the form of pills or injections, before the attack.

"After the war there were between 200,000 and 1 million latent philopon addicts," says Kayano, "but by 1958 the number had decreased to only 271 as a result of our tough campaign against them. The problem appeared to have been solved."

Narcotics officers attribute the new popularity of stimulants to the efforts of underworld organizations previously engaged in the heroin traffic.

"IT IS DIFFICULT to manufacture philopon here because the police investigate closely, and you can even detect the odor of a philopon factory," says Kayano, "but they smuggle a lot of it from Korea."

Kayano estimates that two-thirds of the philopon imports arrive here from Korea — most of it taped inside the clothing of airplane passengers.

Kayano blames the philopon traffic in part on the relatively light penalties, which were levied on those convicted of manufacturing, possession, and selling. The maximum penalty was 10 years — and usual sentences were much less.

"As of Nov. 15, a new law is in effect making the penalty almost as severe as that for heroin," says Kayano. "Gangsters were involved in the trade in stimulants up to now because the penalties were much lighter than those for hard drugs. Now we hope the law will discourage them, just as the 1963 law cut back the heroin trade."

THE WASHINGTON POST
Thursday, Nov. 22, 1973

Pot Export Is Rising In Jamaica

By Frank Eidge
United Press International

MIAMI — Jamaica is trying to shut off its third largest export industry, and U.S. officials are helping.

In the past two years, the island nation has supplanted Mexico as the chief supplier of marijuana, exporting to the United States an estimated one million pounds of the narcotic weed per year. "It's Jamaica's third largest export, ranking behind bauxite and bananas," said Luther Cooke, intelligence supervisor for the federal drug enforcement agency's southeastern region.

Cooke's figures on southeastern district seizures of marijuana coming out of Jamaica show the growth of the trade — 4,000 pounds seized in 1970, 8,200 pounds in 1971, and 28,000 pounds in 1972.

So far this year, U.S. authorities have grabbed more than 58,000 pounds of marijuana imports from Jamaica. And that doesn't count the small lots picked up in police arrests or truck shipments seized up north, such as some sizable hauls made by police on the New Jersey Turnpike.

More significant, said Cooke, was the formation last May by the Jamaican government of a special narcotics squad.

"It was the first time they have devoted a unit to just narcotics," Cooke said. "The Jamaicans handpicked 10 men for the squad and I mean they were really handpicked. Good men."

It paid off. In four short months, the Jamaican squad knocked off at least 120,000 pounds of marijuana, and for the first time Jamaicans arrested Jamaican nationals for dealing in narcotics.

Climate, terrain, and location has made the Caribbean nation the leading producer and supplier of the illegal marijuana market. The leafy weed grows wild all over the warm and humid island, particularly in the mountains — Jamaica is nearly all mountains and hills.

Jamaica's remoteness makes smugglers hard to trace.

When cultivated, marijuana grows profusely and produces two crops a year. "It is generally a commu-

WASHINGTON POST
22 November 1973

U.S. Gets No Kick From Cali Cocaine

By Stephen Klaidman
Washington Post Staff Writer

nity project with 15 to 20 families—most of the residents of a typical mountain village — participating," Cooke said. "The head of the village, sort of a tribal chieftain, oversees, the growing, harvesting, drying and packing for shipment."

He said the marijuana is cultivated generally on small, room-size clearings of ground in the woods or on the sides of mountains which makes their detection difficult.

"Many of these villagers are so far up in the mountains, it takes two or three days to reach them on foot, packing your supplies on mules," Cooke said.

The mountain farmer gets from \$3 to \$5 a pound for his "grass." The smuggler pays from \$5 to \$15 per pound at the Jamaican end, and collects from \$150 to \$200 a pound from his buyer inside the United States.

"A couple of guys with a 30-foot boat can haul a concealed cargo of 1,000 pounds of marijuana and net a \$60,000 profit at the least," Cooke said.

A pound of marijuana can be turned into 500 to 1,000 cigarettes with each "joint" or "reefer" selling for 75 cents to \$1.50 on the street.

Such profits are the reason why people will risk a 20-year prison sentence, such as six Florida men received in federal court at Gainesville, Fla., last week. A seventh man convicted received a 10-year term.

The seven were found guilty in the largest marijuana haul recorded to date by U.S. authorities. Agents seized 0.5 tons of grass aboard a barge which ran aground off the small north Florida Gulf Coast town of Steinhatchee last March 6.

The previous record seizure was seven tons of pot at a Tampa dock in September.

Although criminals have organized money and equipment to smuggle marijuana from Jamaica, Cooke said he doubts that the big national crime syndicates are deeply involved in the activity. With the formation of Jamaica's special police narcotics squad, the business has become much more risky.

Last July 16, the squad seized 84,000 pounds of marijuana in a Jamaican warehouse and arrested 12 Jamaicans.

"It represented the full output of one community for an entire year," Cooke said, "and with the arrests, including a couple of prominent businessmen, dealt a significant blow to the trade."

BOGOTA—An American was picked up by Colombian authorities this month in the steamy provincial capital of Cali, allegedly with six pounds of 99 per cent pure cocaine in his possession.

His future is now uncertain, but the future of his cocaine is not. It will be destroyed and become part of the still-sketchy statistical record being compiled on the cocaine traffic through Colombia, virtually the only transshipment point to the United States from the coca-growing areas of Bolivia, Ecuador and Peru.

The leaf of the coca bush, almost a weed on the eastern slopes of the Andes, is no kin to the cocoa bean.

The traffic involves thousands of persons, millions of dollars; and according to U.S. officials who keep a close watch on the narcotics trade, it rivals heroin in volume, with 700 to 1,500 pounds a month being shipped into the United States.

In some ways it is harder to control than the more widely publicized heroin traffic. Turning poppies into heroin is a fairly complex process involving relatively sophisticated chemical know-how, but refining cocaine requires little more than a bunch of bottles in a kitchen.

In part because of its price and quality, cocaine appears to have become something of a status drug. Its growing use among the affluent may also have to do with the fact that cocaine users do not become physically addicted to the stuff, unlike heroin users.

Cocaine is not a narcotic, and the whole unwieldy injection paraphernalia of the heroin addict is unnecessary. "Coke" is just sniffed up the nostrils for an instant high. It acts as an extremely powerful stimulant to the central nervous system, while heroin is a depressant. But high cocaine dosages can be lethal; it often induces uncontrollable, paranoid behavior and its long-term effects are unknown.

Because the process is simple, the business has attracted large numbers of free-lance operators—as opposed to the heroin trade, which is dominated by organized crime—thus making it difficult to keep track of

the proliferating number of dealers.

Cost is another factor that makes cocaine trafficking easier for the freelancer. The paste made from coca leaves, which is to cocaine what morphine base is to heroin, is relatively inexpensive, so a small-time operator with a few thousand dollars can set himself up in business. This is not the case with heroin.

Another advantage for the small cocaine dealer is the availability of carriers in Colombia, a poor country where most workers earn less than \$100 a month. Most

Colombians can make more as dishwashers in New York or Miami than they can at home at whatever they do, so they try to get to the United States.

Hundreds apply daily for tourist visas at the embassy in Bogota and at the consulates in Cali and Medellin. They hope to reach the States as legal tourists and then disappear into the Latin barrios of the big cities and find work.

The U.S. consular officials screen them carefully, however, and they are required to produce financial records to show that they can afford a vacation up north. But false records can be had for a price. The price, frequently, is to deliver a few pounds of cocaine to a contact in New York or Miami. The number of cocaine arrests is relatively small, but most are made in those two cities.

The professionals do not generally rely on such amateur carriers. Usually, they fly their own planes, picking up the cocaine in the vast and trackless plains of eastern Colombia, where any flat ground can serve as an airfield.

Although it is virtually impossible to spot planes that land in this area and then take off almost immediately, the method has not proved to be quite foolproof.

Earlier this year another American flew an old World War II B-26 into the plains and allegedly picked up a 2,500-pound to 3,000-pound load not of cocaine, but of a home-grown Colombian product that is almost as well known in some circles as this country's highly rated coffee—marijuana.

But he met with a

slight misfortune. His plane got stuck in the mud and was unable to take off. Arrested, and arraigned, he is awaiting trial in Bogota.

Another arrest was made this spring on Colombia's Caribbean resort island, San Andres. Three Americans who had flown to San Andres from the West Coast of the United States were picked up with their small plane and 20 pounds of cocaine. They were set free, however, for lack of evidence.

U.S. officials are working closely with the Colombians to choke off the supply before it gets to the United States, and they claim some success. But the problems are substantial, as the San Andres case indicates.

Colombian police and judges get very low pay and, according to both Colombian and American officials, many of the judges especially are open to bribes. Several judges have been dismissed, and the head of Colombia's counterpart of the FBI in the southern city of Leticia was arrested for trafficking.

But on the whole, Americans here advising on how to stem the flow of cocaine give the Latins high marks. Six U.S. advisers, including a narcotics coordinator who is a foreign service officer, have arrived here since April 1972 and have helped the Colombians form police and customs units to combat cocaine dealers.

Although customs collection in Colombia has generally tended to be lax, U.S. officials contend that Colombian customs officials have taken a high interest in narcotics, as has President Misael Pastrana Borrero, who has established a National Drug-Coordinating Council.

Despite the cooperation from the Colombian government, the problem is still massive and seemingly intractable. It is extremely difficult to make a conspiracy case in Colombia, so that even if one person is caught it is almost impossible to break up the ring. Sometimes, however, the Colombians provide information that leads to an arrest in the United States, where effective criminal action is easier.

Colombia has considerable geographical and logistical advantages for smuggling cocaine to the United States. To start with, it is near some of the world's leading sources of the raw material.

In Ecuador, Bolivia and Peru, the supplier countries, Indians have traditionally chewed the plentiful

NEW YORK TIMES
10 November 1973

Plot to Smuggle Cocaine Through Mexico Charged

**Indictment Here Accuses 6, Including 3
Canadians and One New Yorker—
Drug Delivery to Hotel Alleged**

By MORRIS KAPLAN

Montreal's reputed top leader of organized crime, two other Canadians, two Mexicans and a New Yorker were indicted by a Federal grand jury in Brooklyn yesterday on charges that they had conspired to import and distribute cocaine into the United States.

The two-count indictment, covering purported smuggling operations between Dec. 1, 1970, and April 30, 1971, alleged that nearly 20 pounds of cocaine had been delivered by a co-conspirator to one of the defendants at the Riverside Plaza Hotel here.

The regional director of the Drug Enforcement Administration, John W. Fallon, estimated the street-sale value of the narcotic at more than \$1-million. However, he indicated that this transaction was a relatively minor one. He said the ring was responsible for "a significant amount" of both cocaine and heroin smuggled into this country over the last 12 years.

Businessman Arrested

The man accused as ringleader, identified as Frank Cotroni, 42 years old, of Montreal, and described as a businessman, was arrested Thursday night after he and his brother, Victor, left a restaurant. The Royal Canadian Mounted Police apprehended him at the request of the United States Government, which will seek to extradite him.

The police also took into custody Guido Orsini, 37, of Montreal, a theatrical agent. The other Canadian, Frank Dasti, 59, also of Montreal, was sentenced in Federal District Court in Newark three weeks ago to 20 years in prison and fined \$20,000 as the supplier in an American-Canadian heroin smuggling ring.

The New Yorker, who allegedly received the drugs here, was identified as Paul Oddo, 54, of 2607 Jerome Avenue, the Bronx, a construction worker. A Federal Court jury convicted him last year of possessing

22 pounds of heroin. He is serving a seven-year sentence in the Atlanta Penitentiary.

The Mexican suspects, both from Mexico City, are Jorge Asaf Bala, 63, a businessman, and Claudio Martinez, 42, owner of a typewriter sales and repair shop. Asaf is serving a prison sentence on a drug charge.

Route of Cocaine Given

Cocaine, originating in the mountains of South America, was brought into Mexico and then smuggled across the border into Dallas, according to Thomas P. Puccio, an assistant United States Attorney who is prosecuting the case. Shipments then went by plane to Kennedy International Airport.

But the deals were consummated by the Cotroni organization, authorities said. Asaf supplied the drugs and Mr. Martinez usually delivered them, they charged. In addition, Dasti delivered a package to Mr. Orsini in Montreal, according to the indictment.

The 20 pounds listed in the charges were said to have been delivered to Oddo by Giuseppe Catania, who was named as co-conspirator but not a defendant. Mr. Catania, an Italian haberdasher from Mexico City, was indicted last Aug. 21 as the pivotal figure in the flow of \$132-million worth of heroin from France to the United States and Canada.

Mr. Fallon called the Cotroni arrest the most important since that of Lucien Rivard in July 1965. Rivard, a Canadian citizen, and castermind of a narcotics ring, was the central figure in a scandal that involved Canadian Government members in an attempt to bribe an attorney representing the United States in extradition proceedings.

Conviction of the charges contained in yesterday's indictment carries a sentence of 5 to 20 years in prison on each count and fines of \$20,000.

NEW YORK TIMES
26 November 1973

MADRID MAY ASK DEFENSE TREATY

**Security Pact Seen as Her
Price for the Renewal of
U.S. Rights to Bases**

By JOHN W. FINNEY

WASHINGTON, Nov. 25 — The Spanish Government is expected by Defense Department officials to demand a security treaty with the United States as the price for renewing American military base rights in Spain.

Just how the Administration would respond to such a demand, which would in effect formally commit the United States to the defense of Spain, has not been determined, according to Pentagon officials.

Some officials, particularly in the Pentagon, would be inclined to accept on the ground that a treaty would only formalize an unwritten commitment the United States already has to go to the defense of Spain under the existing base-rights agreement.

Other officials, in the State and Defense Departments object that acceptance would doom future base rights in Spain since the Senate is unlikely to approve a mutual security treaty with Spain.

The United States has had base rights in Spain since 1963, through executive agreements between the two Governments rather than by treaty. The Air Force has base at Torrejón and Saragossa plus a standby base at Morón; the Navy operates a base at Rota to support Polaris missile submarines as well as some operations of the Sixth Fleet in the Mediterranean.

Originally the air bases in Spain were of direct strategic importance in supporting the operations of B-47 bombers. But with the advent of intercontinental missiles and bombers, their strategic importance has declined. They are now used largely for training and support of air units in Italy, Greece and Turkey.

Because it took nearly two years to negotiate the present five-year agreement, which expires in 1975, preliminary negotiations on a new one are expected to begin within the next few months.

Behind Spain's Wish

Overtures already made by Madrid suggest to Defense Department officials that the only major demand will be for a mutual security treaty. Should that be met, officials do not think that Spain would insist on the various forms of military and economic assistance that has been her past price for granting base rights.

They believe Spain's wish for a treaty springs largely from her aspiration for a position of equality with other European nations that are linked with the United States.

coca leaves—breaking them down chemically with lime juice—to relieve cold and fatigue, basically as a supplement to an inadequate diet.

Peruvian Indians use the word "cocada" to measure time and distance: It is the length of a high—about 40 minutes—or the distance an Indian can walk while high—a couple of miles.

Colombia is not only near the source, it has a vast coastline that is impossible to patrol adequately. There are many sea ports, some very isolated; numerous major airports, and a land connection with Panama.

The drug generally comes into Colombia in paste form. Here it is refined into a powder—of far more than 90 per cent pure—and either broken up into small lots, and sent out with individual carriers, by air or sea, or flown out in bulk by private plane. Sometimes the plane has brought a load of smuggled cigarettes to Colombia.

When it arrives at its U.S. destination, the cocaine is cut to between 20 per cent and 60 per cent pure and sold on the street for \$10 to \$12 a bag. Heroin, which is cut to about 2 per cent, is sold for \$6 to \$8 a bag.

NEW YORK TIMES

28 November 1973

12 Charged in Conspiracy To Smuggle Drugs Into U.S.

BALTIMORE, Nov. 27 (UPI)—The United States Organized Crime Strike Force said yesterday that it had smashed a major Maryland-based narcotics smuggling operation that was bringing cocaine into the United States from South America and selling it in Maryland and Washington, D.C.

A Justice Department lawyer, William Pope, said that 12 persons had been charged with conspiracy to smuggle more than \$1.5-million worth of cocaine.

Six were arrested and six were still being sought, he said. Three of those sought are in South America, he said, and the other nine charged are from Maryland.

They were indicted Nov. 8 but it was not announced until after their arrests.

through the North Atlantic Treaty Organization. Blocked over the years from admission to NATO by Britain and the Scandinavian states, Spain could achieve somewhat the same status through a bilateral treaty with the United States. In addition, Spanish officials were reportedly arguing that the potential Soviet-American confrontation in the Mediterranean has enhanced the value of the American bases while increasing the chances that Spain could become involved in a crisis without any present assurance; the United States would come to her defense. Because of difficulties encountered in using the bases

during the Arab-Israeli war last month, there is a question in some quarters whether their value in support of United States operations in the Mediterranean is not declining still further.

Without any specific notice to the Spanish Government, the air bases were used for a few days by Air Force tanker planes to refuel F-4 Phantom jets being flown nonstop from the United States to Israel.

Secret Understanding

When this became known, Spain announced she would not permit the United States to utilize the bases "in a local conflict such as the Arab-Israeli war." The statement em-

phasized that the bases could only be used to meet a threat against the security of the West—a condition set forth in the 1970 executive agreement.

The concern of the Spanish Government was that her extensive interests in North Africa might be endangered.

The United States raised no strenuous objections, in part because of a secret understanding accompanying the 1970 agreement that the bases could not be used for operations involving an Arab-Israeli conflict.

As a result, the United States was forced to rely on the Lajes air base in the Azores as a refueling point. Pentagon officials acknowledge that without

the permission of the Portuguese Government to use the base the airlift to Israel would probably have been impossible.

This fact is not expected to be ignored by Portugal when it comes to renewing the present Azores base agreement, which expires in February.

In the negotiations so far, according to Pentagon officials, Portugal has not specified what it expects in return for the use of the Azores base during the Israeli resupply effort. However, they expect that she will ask a high price in military and economic aid rather than demand United States' diplomatic support on the issue of Portuguese territories in Africa.

BALTIMORE SUN
16 November 1973

Regular U.S.-Europe contact sought

By GILBERT A. LEWTHWAITE
Paris Bureau of The Sun

Paris—The Western European Union is to be asked next week to endorse the establishment of permanent institutional machinery for consultations between Europe and America.

The move is aimed at forestalling possible "disastrous" effects of current differences between the two powers.

Central to these is the possibility of America using the presence of its troops in Europe to wring concessions out of the European nations in trade and monetary negotiations.

A report from the European union's general affairs committee, to be presented to the full assembly here next week, says of the establishment of permanent contact, "At the present juncture, when the very foundations of international order and peace are in question, such a step seems more essential than ever."

The report repeats previous European insistence on linking trade and monetary talks, but balks at American policy, as outlined by Henry A. Kissinger, the Secretary of State, of bringing the United States military presence into the equation.

"It would be disastrous if this interdependence (of U.S.-European relations) were to lead to global bargaining between the United States and

Europe in which security matters could be at stake because of trade or even monetary problems," the report says.

Another report to be presented to the Western European Union assembly, dealing specifically with U.S.-European Security Relations, chides President Nixon for failing to consult with the North Atlantic Treaty Organization council when U.S. forces were placed on alert during the Mideast crisis October.

It says there was "widespread, if private, condemnation" in Europe of the President's move, which was "interpreted mostly as a response to domestic pressures on the President."

The second report also says that American rebukes to Europe for lack of co-operation during the crisis have made "relations more difficult."

"For Europe it is not only the East that is a source of anxiety. Superpower bilateralism, as demonstrated this autumn in the Middle East, could impose a great strain upon European-American relations," it says.

The report, from the Committee on Defense Questions and Armaments, goes on: "The policies of the United States are increasingly becoming a cause for concern to her allies in Europe. The United States seems less and less available in the process of leadership, and it is now the

turn of Europe to worry about the steadfastness of her American ally.

"Europeans are posing the question: 'Is the United States too strong to need alliances?'"

"Weaker administration"

In blunt terms, the defense committee report gives this assessment of the current situation in America: "The Watergate affair must weaken the capacity of the American administration to conduct its foreign policy free from protectionist pressures. . . . The resignation of Spiro Agnew and the reality of a President-at-bay have combined to deepen a mood which could imperil Europe."

"Many Americans believe that Europe is either too mean or too lazy to defend herself, and that American forces ought not to be overseas 25 years after the end of the war."

Turning specifically to possible U.S. troop withdrawals from Europe, it says: "Congressional pressures for withdrawal press acutely upon the Europe neurosis: The fear of abandonment by the United States."

Europe, it says, lacks the political will to develop its own nuclear deterrent on a scale to give it real defense independence. The report suggests that a European nuclear commit-

tee, based on Anglo-French co-operation, might be set up, possibly with U.S. technological help.

But it says: "Any precipitate American disengagement is more likely to discourage, rather than encourage the European will to self-defense."

"The choice may rest between rearmament and acquiescence. But, on the other hand, a European failure of will may oblige us to rely upon the size of the United States investment in Europe to sharpen American interest in maintaining a global balance of power."

Near East

WASHINGTON POST
18 November 1973

CIA Had Reports Of Possible War

By Michael Getler
Washington Post Staff Writer

A Central Intelligence Agency report late in September warned the White House of a strong possibility that war might soon break out in the Middle East, according to reliable sources.

The CIA evaluation, based mostly on unusually large Egyptian maneuvers near the Suez Canal, did not go so far as to predict flatly that an invasion was certain.

But the signs were viewed as sufficiently ominous to be immediately passed along at very high level to the Israelis.

Tel Aviv, however, reportedly disputed the American interpretation of Egyptian activity. Given the high esteem in which Israeli intelligence is held in Washington and the closeness of the Israelis to the would-be war zone, the Israeli assessment was quickly accepted here.

As late as Oct. 4, just two days before the war began, the joint U.S. Intelligence Board, made up of representatives from several intelligence agencies — including CIA — took a common position that hostilities were unlikely, according to informants here.

The readiness to accept the Israeli view, the failure to heed some unusual danger signals and the general surprise of the Arab attack has caused considerable post-war concern both within the administration and the intelligence community.

Within the Pentagon's Defense Intelligence Agency, it has been learned that the three top men — an Army colonel, Navy captain and senior civilian official — who headed the Middle East intelligence branch were transferred out of those jobs in the aftermath of the fighting.

At the same time, however, the existence of the earlier CIA warning, roughly one to two weeks before the fighting started, seems to suggest that the intelligence community was not totally as flat-footed as Secretary of State Henry A. Kissinger indicated at his Oct. 25 press conference.

At that time, Kissinger said under questioning that "... all the intelligence at our disposal (before Oct. 6) and all

the intelligence given to us by foreign countries suggested that there was no possibility of the outbreak of a war."

Sources say there is no question that in the period between the end of September — after the Israelis had challenged the CIA warning — and just a day or so before the war actually started, the United States had accepted the Israeli view that "they knew best" and there was no cause for alarm.

But Kissinger's assertion that the intelligence available suggested "no possibility of the outbreak of a war" is regarded by a number of senior officials both in and out of the intelligence field as an overstatement at the very least.

Aside from the CIA report, sources here suggest that other parts of the intelligence community such as the State Department, while not making outright predictions of warfare, were certainly expressing wariness.

The most difficult, and some say impossible, part of intelligence work, however, is the difference between gathering facts and estimating intentions. It is this difference that Kissinger sought to emphasize at an earlier Oct. 12 press conference when he was questioned about the apparent intelligence failure in not predicting the attack.

Kissinger said then that both U.S. and Israeli intelligence had been aware of the pre-war build-up of forces in Egypt and Syria. He explained that Egyptian army maneuvers on the west side of the Suez Canal had been carried out during September in each of the last 10 years. He indicated that three times during the week preceding the war, assessments had been asked from U.S. and Israeli intelligence agencies and that each time they concluded that "hostilities were unlikely to the point of there being no chance of it."

Yet the earlier CIA report, which informants say was contained in the more highly classified version of agency reports that come to the attention of only certain officials, reportedly warned that the September maneuvers this

WASHINGTON POST
29 November 1973

Officials at Odds On NSC Meeting

By Laurence Stern
Washington Post Staff Writer

In popular mythology, the National Security Council is the nation's ultimate crisis forum.

It was in this spirit, perhaps, that Secretary of State Henry Kissinger and Defense Secretary James R. Schlesinger referred to a National Security Council meeting on the night of Oct. 24 when American military forces were placed on world-wide alert.

Now the White House acknowledges that there was no meeting of the National Security Council on that night of putative international peril when the word was flashed to U.S. air, ground and sea forces to go into a high state of readiness.

"That meeting is not in our formal listing of National Security Council meetings," said NSC staff Secretary Jeanne W. Davis. This was corroborated by the White House press office.

Yet Kissinger, in his Oct. 25 press conference, said the President called "a special meeting of the National Security Council" at 3 a.m. that same day to order the precautionary alert.

Kissinger added that "all the members of the National Security Council were unanimous in their recommendations as the result of a deliberation in which the President did not himself participate, and in which he joined only after they had formed their judgment..."

Defense Secretary Schlesinger, the same day, said it was he who initiated the alert after a meeting of the "abbreviated National Security Council," though he added that "the President was in complete command at all times during the course of the evening."

Kissinger said the NSC meeting took place at 3 a.m. on the 25th. Schlesinger timed it at 11 p.m. on the 24th. The President said it was he who ordered the precautionary alert shortly after midnight on the 25th after "we obtained information which led us to believe that the Soviet Union was planning to send a very substantial force into the Mideast, a military force."

White House records list only two meetings of the National Security Coun-

year were different and more ominous than the past.

Informants say there were many more troops involved than in the past, more ammunition being used and stockpiled, a much greater logistics build-up and, perhaps most importantly, more field communications being hooked up and operated — something which occasionally can be listened in on by electronic sensors.

The transfer of officials within the Defense Intelligence Agency, according to one source, came about because of some strong objec-

tions voiced by these officials before the war started to the validity of these danger signals.

At his Oct. 12 press conference, Kissinger alluded to the "gravest danger of intelligence assessments"... the tendency to "fit the facts into existing preconceptions and to make them consistent with what is anticipated."

By and large, the prevailing view since the 1967 war had been that the Arab armies would never risk another humiliating defeat at the hands of Israel.

NEW YORK TIMES
25 November 1973

Anatomy of the October Alert

Action Was Downstairs, President Was Upstairs

cil during 1973. One was on March 8 and one on April 12. White House spokesmen would not divulge the topic of either meeting.

The meeting that occurred the night of Oct. 24 or the early morning hours of Oct. 25—depending on whose version is accurate—included only two of the four statutory members of the council, Secretary of State Kissinger and Secretary of Defense Schlesinger. The other two members are the President and the Vice President. Mr. Nixon was, by all current accounts, upstairs in the White House while his cabinet aides were meeting in the basement Situation Room.

There was no ready explanation of why two Cabinet officers, both famous for their Washington bureaucratic street wisdom and for their precision of public utterance, should be in disagreement with the White House and NSC over whether the meeting in which they both participated was or was not an NSC meeting.

In practice formal NSC meetings have become among the rarest of Washington phenomena. The two meetings this year compared with three meetings in 1972 when the administration was engaged in the complex exercises of detente summitry and extrication from Vietnam.

"The formal NSC meeting is a cosmetic, a fiction," in the view of a former high-ranking staff member. "As a forum it has become unwieldy. There are people there the President may not want to be there. Papers have to be written that bureaucrats receive and circulate."

"It hadn't been used in the original textbook sense since the Eisenhower years."

Nevertheless Presidents and their press spokesmen have persistently fostered the notion that in moments of national gravity the NSC, in its collective wisdom, has provided benediction to the policies finally adopted.

After the Tet offensive in Vietnam in January 1968, for example, President Johnson called an NSC meeting and invited news photographers in to record the high seriousness of the occasion. It was not until days and weeks later that the policy responses to the Tet attack were decided.

More recently, in the controversy over falsified U.S. bombing reports in Cambodia, former Secretary of Defense Melvin R. Laird said the orders for falsification of the reports came from the National Security Council early in 1968. One former USC staffer, whose business it was to know the NSC agenda during that period, said he had no recollection

WASHINGTON—It is the night of Oct. 24, 1973. President Richard M. Nixon is facing what he described two days later as "the most difficult crisis we have had since the Cuban confrontation of 1962."

He is facing it, according to his aides, in the seclusion of his upstairs living quarters in the White House. That is where he stayed throughout the crisis, but that is all that is known, perhaps all that will ever be known, about his activities during the hours when American forces were placed on an alert, ready to counter any Russian movement of troops into the Suez Canal war zone.

In his press conference of Oct. 26, the President gave the clear impression that he had been in active charge of the American action. He said: "When I received that information I ordered shortly after midnight on Thursday morning, an alert for all American forces around the world. . . . I also proceeded on the diplomatic front. In a message to Mr. Brezhnev, an urgent message . . ."

But on Oct. 24, while the President remained upstairs, the man who conceived the alert, Secretary of State Henry A. Kissinger, and the man who called it at 11:30 P.M., Secretary of Defense James R. Schlesinger, were two flights below in the basement Situation Room of the White House, running the crisis by their own fluorescent lights and telephoning Mr. Nixon periodically to obtain his approval for their actions.

And it is now certain that both the timing and exact nature of the alert were acted upon without the President's specific prior approval. Mr. Kissinger and Mr. Schlesinger acted alone after getting the President's earlier, general approval over the phone for an American policy that included both a firm political response and a military signal. And Mr. Kis-

singer now admits he was amazed when the alert, instead of remaining a quiet but clear signal to the Soviet Union, showed up the next morning in headlines and telecasts all over the United States.

What really happened that night when the famous hot line between Washington and Moscow remained cold and Soviet and American diplomats scurried through the autumn darkness?

In the immediate aftermath, both Soviet officials and Mr. Kissinger briefly considered making public the entire strange exchange that led to the alert, including the note from Leonid Brezhnev to Washington which was later described as "brutal," "tough," or leaving "very little to the imagination."

At a news conference 12 hours after the alert was ordered, Mr. Kissinger was asked to detail the information that had made the alert necessary. Some reporters raised the possibility that the alert was designed chiefly to serve domestic political purposes by diverting attention from Mr. Nixon's Watergate problems. Seemingly more in sorrow than in anger that such doubts should be raised, Mr. Kissinger admitted that they were "a symptom of what is happening to our country" and pledged he would provide the full account—saying it would convince any skeptic—as soon as the emergency had passed.

Last week, with the United States and the Soviet Union once again cooperating, Mr. Kissinger said he "regretted" his earlier promise. To make the information public now, he said, might upset the rediscovered mood of cooperation. Intended or not, the net effect of the two press conference statements was that the Administration's most respected figure had stilled critics during the emergency with his promise of full disclosure, then withdrawn the promise when the public's concern with the crisis had passed. So there will be no official account for some time—perhaps not for years.

Although he would not provide the diplomatic and intelligence information that led to the alert, Mr. Kissinger was willing to talk about some aspects of the war of nerves with Moscow. On the basis of talks with him and other American, Soviet and Israeli officials it is possible, however, to make a preliminary reconstruction of what now appears to have been less a full-blown crisis than a firm test of superpower wills and tactics.

The test began with the situation in the Middle East after three weeks of war, with Egyptian forces in what had been the Israeli-held Sinai and Israeli forces in what had been Egyptian-held Egypt, west of the Suez Canal.

A cease-fire had been accepted by both parties Oct. 22 and then breached.

of bombing policy in Cambodia being on the Council agenda.

Below the level of the full Council, the intensity of activity picks up. The NSC staff is a study in perpetual motion. Since the arrival of Kissinger as National Security Adviser to the President, its members have worked the longest hours in town.

Under Kissinger the Council staff divides and subdivides into various working groups dealing with the myriad issues—from the possibility of a government toppling in Latin America to the hardness of Soviet missile sites—which form the President's perceptions of national security.

mainly by the Israelis, who completed encirclement of the Egyptian III Corps on the Suez east bank. The growing desperation of the Egyptians and their Soviet patrons prompted a radioed plea at 3 P.M. E.D.T. Oct. 24 by President Anwar el-Sadat for a joint American-Soviet task force to enter the region and enforce the cease-fire of Oct. 22. Some American officials were sure the Russians solicited this plea as a way to establish a sizable Soviet force in the disputed Canal Zone.

But all was calm in Washington, even though Soviet air and naval forces, including seven landing ships, were "milling about" the Mediterranean and seven Soviet airborne divisions with 40,000 troops were on the alert in Russia.

But there had been Soviet airborne troop alerts before and one more Soviet landing craft in the eastern Mediterranean earlier. As late as 5 P.M., Mr. Kissinger and Soviet Ambassador Anatoly Dobrynin were harmoniously discussing the details of implementing the cease-fire.

About 8 P.M., Ambassador Dobrynin returned to the State Department with a note from Mr. Brezhnev to Mr. Nixon, taking up President Sadat's plea for a joint American-Soviet expeditionary force. The note urged American participation, nothing more. Mr. Kissinger conferred with the President by phone and quickly handed the Russian envoy a reply with a firm no, explaining that it could be disastrous to involve both superpowers in a tense situation on the ground.

And at the United Nations, the Soviet delegate in the Security Council, Yakov Malik, was accusing the United States of breaking the cease-fire bargain by allowing Israel to gain more Egyptian territory. He demanded that the United States accede to the Sadat request for a joint expeditionary force. The American delegate, John A. Scali, informed Mr. Kissinger of this development.

About 10:40 P.M., Ambassador Dobrynin returned with a second Brezhnev note to the President. After castigating the Israelis, it said, according to two officials who read it: "We strongly urge that we both send forces

to enforce the cease-fire and, if you do not, we may be obliged to consider acting alone."

The threat of a unilateral insertion of Soviet forces into the battle zone was more implicit than explicit. But its effect was electrifying.

The United States could have taken the suggestion of unilateral action in stride, Mr. Kissinger said later, yet juxtaposed with the rising demands of Mr. Malik at the United Nations, with the alert of Soviet airborne forces and the movement of Soviet landing craft, it signified the possibility of a really serious Russian military move.

Mr. Kissinger phoned Mr. Nixon again, recommending a firm political response, backed up by a military signal. The President agreed to the principle, but left Mr. Kissinger to decide what form the responses would take. Mr. Kissinger then convened a formal session of the seldom-used National Security Council. As constituted, the N.S.C. has six members, including the President. But Mr. Nixon was upstairs. Mr. Kissinger was there in his dual capacity as Mr. Nixon's adviser on national security affairs and as Secretary of State. Mr. Schlesinger was there as Defense Secretary. And that was it. There was no Vice President and no Director of the Office of Emergency Preparedness; the office has been vacant for 13 months. "Officially the meeting consisted of Kissinger, Kissinger and Schlesinger," a council aide commented.

Belatedly called in for the 11 P.M. session was William Colby, director of the Central Intelligence Agency. Also present, as the military adviser, was Adm. Thomas Moorer, Chairman of the Joint Chiefs of Staff.

The two principal participants, Mr. Kissinger and Mr. Schlesinger, swiftly agreed on the modified alert call known as the Defense Condition 3, the middle on a scale of five alert stages.

After transmitting the alert to the service chiefs at 11:30 P.M., Mr. Schlesinger and Admiral Moorer discussed the situation for another two hours. Then they drove across the Potomac to put the finishing touches on the alert. They finished about 2:30 A.M. and went home to bed.

Mr. Kissinger repeatedly informed Israel's Ambassador Simcha Dinlit of the developments. This had the effect of letting Tel Aviv know that, while the United States was acting to prevent a Soviet landing, it would welcome an Israeli action to ease tensions along the Suez.

Retrospectively, it is safe to conclude the Soviet threat and the American alert caused the Israeli leadership to cease using the plight of the Egyptian III Corps to extract new concessions from Cairo and to allow the United Nations units to enter Suez Oct. 27.

Mr. Kissinger also drafted a note to Mr. Brezhnev for the President, firmly stating the United States would not tolerate a lone Soviet military move in the Middle East and urging Soviet cooperation in support of a United Nations resolution establishing a new peacekeeping force for the battle zone.

About 3 A.M. he went upstairs to Mr. Nixon and obtained the President's ratification of all these actions. Then both turned in.

Mr. Kissinger concluded that by this time the Soviet Union would have monitored the signals putting American forces on alert. The stiff note to Mr. Brezhnev was dispatched about 4 A.M.

About 7 A.M. Mr. Kissinger woke up to watch the television news and he was, he later recounted, astonished to learn that the alert call he had hoped to keep confined to the world of diplomacy was being broadcast to the American people.

From all this, it seems clear there was no actual crisis, but a potential crisis. That is why the President stayed upstairs and that is why the hot line was not used. Only after the news of the alert was broadcast, did Mr. Nixon decide to dramatize it as a crucial, personal face-off against the Russians.

In any case, a little more than 12 hours after the second Brezhnev note was delivered, the Soviet Union altered its stance in the United Nations and lent support to the American resolution authorizing a United Nations peacekeeping force for the disputed Suez region. From then on the situation improved.

—DAVID BINDER

THE ECONOMIST NOVEMBER 24, 1973

Arabian nightmare for the economy

Washington, DC

The oil shortage has thrown the economic forecasts for the United States in 1974 into complete confusion. A supply-induced recession, the first ever, is now a distinct possibility, though the forecasts at this stage—based on incomplete knowledge of how the supply of oil products will be divided among the ultimate users—are tentative. At one end of the spectrum is the possibility of scarcely any damage at all to the basic economy. If by voluntary or compulsory means there can be brought about a 15 per cent reduction in consumption by private cars, home heating (through lower temperatures) and commercial establishments such as shops, there will be enough oil, despite the Arab embargo, to supply industry and electricity-generating plants. This is the official estimate made by Mr Herbert Stein, chairman of the President's Council of Economic Advisers, and there seems no reason to dispute it.

However, achieving that 15 per cent reduction is another matter. No one knows how much will be accomplished by such devices as a nationwide speed limit of 50 miles an hour, permanent summer time, and by appeals for more car pooling by commuters and presidential requests to keep homes six degrees cooler this winter. If Americans want to be co-operative—and there are some, such as the Washington Post columnist, Mr William Raspberry, who apparently believe the whole "crisis" is a fake somehow dreamed up by the oil companies—they could accomplish a great deal. But the likelihood is, despite much agonising in the government, and publicly expressed reluctance by the President, that at least petrol will have to be rationed to consumers to accomplish the purpose. Such men as Mr Stein and Mr George Shultz, the Secretary of the Treasury, would much prefer a steep new petrol tax to the "nightmare" of rationing, but this route seems to be effectively blocked by hostility in Congress.

By contrast, Congress seems quite willing to grant the President the power to ration, as he has asked, on a "stand-by" basis. The Senate passed a bill to that effect on Monday, and the House of Representatives will return to consideration of the subject next week after its Thanksgiving recess. Petrol would be rationed not so much because of any grave shortage of petrol itself, but to help shift the "mix" of refinery output toward middle distillates and residual oil needed for electricity, transport and industry. Much less likely, but still possible, is rationing of heating oil to consumers.

The problem is one of bewildering complexity, but an example of what could happen is supplied by the steel industry, which says that if it is limited to last year's supply of fuel, it will have to reduce its current booming production by some 10 per cent and lay off 60,000 workers. The petrochemical industry, which uses oil as a basic feedstock, says that a shortage of the wide array of

plastics and chemicals it produces could result indirectly in a loss of 1.6m jobs, although this is undoubtedly a self-serving estimate. In a first decision on priorities, the government decreed last week that farmers, local bus companies and energy producers such as coal companies could have all the oil products they needed for the next 60 days. More of this kind of thing is likely.

At this early stage, what seems most probable in the coming winter and spring is a series of spot oil shortages for both consumers and industry and temporary interruptions of industrial production. How much these would affect total output and employment is anyone's guess. The most dire forecast has come from the National Petroleum Council, which estimates that the unemployment rate could be pushed as high as 7.7 per cent (it is now 4.5 per cent of the labour force). This is disputed not only by Mr Stein but by such outside economists as Mr Otto Eckstein, a member of President Johnson's Council of Economic Advisers. Like others, Mr Eckstein is in process of shaving off 1 to 2 per cent of "real" (after allowance for price changes) gross national product from his forecast for 1974, which would leave the economy with minuscule growth, but still growth, and with only a modest increase in unemployment. The truth of the matter is that no estimates can be much good at this point.

Before the sudden oil emergency created by the Arabs—who supply directly or indirectly at least 10 per cent of the country's oil consumption—the forecasts were tending to cluster around what is known as a "growth recession", meaning a sharply reduced rate of growth in 1974 but not an actual decline in output which would qualify as a recession. The forecasts were based as usual on assessment of the sectors of demand.

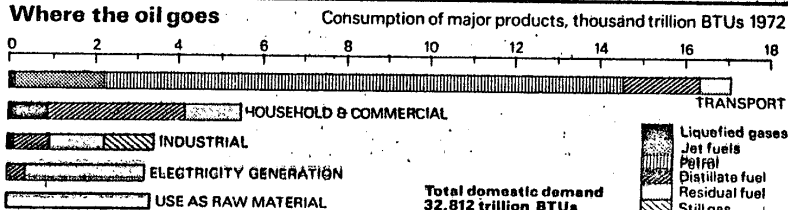
Strength in business investment in plant and equipment and in stocks, together with some increases in government spending and booming exports, were expected to offset the drop in housing construction and probably sluggish consumer spending, particularly on motor cars.

Actually, a significant slowdown in growth has already taken place, with real gnp in the second and third quarters rising at a rate of only 3 per cent compared with an unsustainable 8 per cent in late 1972 and early this year. House-building, badly afflicted once again by a shortage of mortgage money and high interest rates, has plummeted. At the beginning of the year new houses were being started at an annual rate of 2.5m; this fell to 1.6m in October—a steeper decline than expected.

Even without a dire oil shortage for electric power and industry, the spot shortages and resulting bottlenecks in the supply of various products—some of which are already in short supply as a result of the recent boom and of insufficient productive capacity—could tip the scales from a growth recession to actual recession, as the forecast of the Wharton School of the University of Pennsylvania now tentatively expects. It would be a weird, indeed unprecedented, combination of weak demand in some parts of the economy supplemented by insufficient supply in others.

Not too much should be made, however, of the semantic distinctions about "recession". To the vast majority of Americans it will not make much difference if the gnp next year grows by 1 per cent or declines by 1 per cent, though the history books would have to record the latter result as a recession. Far more important will be the psychological effect on Americans of such things as knowledge of the country's dependence on imported oil for a third of its total supply, the awakening to how much energy they waste and the unaccustomed fact of outright shortages. How all this will alter national attitudes remains to be seen, but things will never be quite the same again.

Where the oil goes



WASHINGTON POST

30 OCT 1973

U.S. Oil Firms Ask United Crisis Policy

By Dan Morgan

Washington Post Staff Writer

Major American oil companies, faced with unprecedented Arab embargoes, are seeking government backing for a common overseas oil policy which might require broad exemptions from anti-trust laws.

The effort to draft a joint policy which the government could accept is in the initial stages. Oil company executives say that the policy will depend heavily on what happens in the immediate future between the United States and the oil-producing countries of North Africa and the Middle East.

Details of what the major oil firms want in terms of Government cooperation and support are still unclear. However, executives, who attended a meeting at the State Department Friday with Secretary of State Henry Kissinger, said that current anti-trust laws now make it difficult for the companies to adopt a common front in dealings with the Arabs.

Several years ago the major companies asked for and re-

ceived a business letter from the Justice Department assuring them that their joint negotiations with the oil producing countries on prices would not violate anti-trust legislation.

However, sources in the oil industry say that the waiver apparently does not cover such joint steps as boycotts of oil from a particular country, joint marketing arrangements, or any other steps that could be construed as preventing competitors from making their own deals with producing nations.

One oil company executive said that when the present crisis ends in the Middle East, the oil companies must "find a mechanism" in which they can "get together and work out a policy." He said anti-trust laws now make this difficult.

State Department officials stressed yesterday that no agreements had been reached between oil company representatives and the government. They described the position of both sides as "an interim posture."

Secretary of State Kissinger is reported to feel that, at this time, the oil companies should

stay in the background and leave the administration to try to stabilize the situation in the Middle East.

Oil company officials say that the United States will be at least partially dependent on supplies from the Middle East until the early 1980s. They also feel that even with a settlement of the Middle East problem, powerful political forces, favoring production restrictions will continue to exist in that part of the world.

Some of the immediate domestic American oil losses from Arab production cuts and embargoes can be offset by diverting shipments from Indonesia, Nigeria and Iran which are earmarked for other destinations, officials said yesterday.

European countries, except for the Netherlands, are exempt from the embargoes of such major Arab producers as Saudi Arabia. However, American firms control most of the Saudi installations, and also transport the oil in American-chartered vessels. This means that some measure of coopera-

tion by American companies is required for the embargo to work. Oil executives say they hope to comply with the embargo by shipping more Arab oil to Europe and more of their oil from countries which are not participating in the embargo to the U.S. market.

Yesterday, U.S. intelligence sources said the Indonesian government might offer the U.S. increased access to its rich oil reserves in return for more financial assistance.

Any steps requiring additional waivers of anti-trust laws would meet with controversy on Capitol Hill, where Senate investigators already are looking into the operations of numerous multi-national corporations.

"The major oil companies have had tax credits and foreign depletion allowances and anti-trust exemptions and what we have is higher oil prices and shortages," said one Capitol Hill source familiar with the industry. "Now they want a second bite at the apple."

Oil in the alliance

Washington, DC

However short it may be of the real thing, the United States is now trying to pour diplomatic oil on the troubled waters of the Nato alliance. During the Middle East war the United States and its European allies parted company over two main aspects of American policy. Only Portugal gave the United States full overflying and landing rights for American aircraft carrying military supplies to Israel. Portugal is now reported to be pressing for something in return—a higher rent for the use of the Azores base and also, rather more embarrassingly, support for its African policies. West Germany objected publicly and vociferously when American supplies were loaded on Israeli ships in the north German port of Bremerhaven. The other European complaint was that America's allies were not consulted on, let alone timely informed of, the decision to put all American forces on alert on October 25th as a warning to the Russians not to overplay their hand in the Middle East. Mr James Schlesinger, the Secretary of Defence, and the German defence minister have now agreed that the United States is free to use German-based equipment as it wishes, provided it does not repeat the indiscretion of using Israeli ships.

Both governments now admit that they over-reacted. Certainly the Nixon Administration admits that public state-

ments from the President, Mr Schlesinger and the State Department—all publicly excoriating the weak-kneed showing of the Europeans in the face of Arab threats to cut off oil shipments—were unnecessary, at the least. The unfavourable comparison of the good job that the Kennedy administration did in keeping its European allies informed over Cuba in 1962 with the Nixon Administration's handling of the October 25th alert has not been missed either. It was noticeable that when the European community issued its joint statement on the Middle East on November 6th, which took a general anti-Israeli stand, there was no official American reaction. Privately, of course, the Administration regarded it as another instance of how hopelessly the Europeans are the captives of their needs for oil.

These needs mean that however much tact and diplomacy the United States uses on its European allies, the latter will always perceive the Middle East situation differently. American arguments that Russian involvement transforms the Middle East from a problem outside Nato's geographic purview into a general strategic issue on which Nato must take a joint stand, will fall on deaf ears. Perhaps the United States and its European allies can come to an agreement to disagree on the Middle East. The danger is that the present note of acrimony will spill over into other areas. Since October 30th Nato representatives have been sitting down with the representatives of the Warsaw pact in Vienna to negotiate mutual troop reductions. In the cir-

cumstances it was confusing, to say the least, when Mr Schlesinger uttered a thinly veiled threat of a unilateral reduction in American troops in Europe. He has since retracted. Mr Schlesinger, even before the Middle East war, was extolling the idea of airlift capacity as making the withdrawal of more American troops from Europe practicable. The success of the American airlift to Israel may have strengthened his view. It is, however, too early to determine whether the Americans are trying to force the pace.

Then there is the problem of the new Atlantic charter that this "Year of Europe" was to have produced. The grand design which Mr Henry Kissinger outlined in April was that a general declaration of principles between the United States, Europe and ultimately Japan, encompassing both economics and defence, would be signed when President Nixon made his planned autumn trip to Europe. Since then Watergate has intervened to preoccupy the President and put his future in doubt. And the Europeans, scared that the United States might somehow use its maintenance of troops in Europe to secure economic concessions, succeeded in September in getting the contemplated charter divided into one concerned with economics with the European community, and one concerned with defence with Nato.

Even without the recent disagreement over the Middle East among Nato

allies, progress on the two charters has been slow. The discussion of the declaration on security centres at the moment on a draft produced by the French early in October. As France does not participate in the military side of Nato, that draft not surprisingly contains little on the questions of mutual troop cuts and financial burden sharing. The latter is of great importance to the United States, and the Nixon Administration wants both of these items to figure prominently in the final declaration. Preparations for the declaration on

economic and other matters are faring little better. Mr Walter Stoessel, Assistant Secretary for European Affairs, and Mr Helmut Sonnenfeldt, still a close associate of Mr Kissinger at the National Security Council, joined European representatives in Copenhagen on Wednesday to continue talks. But recent leaks of the various draft proposals show that the United States and Europe are still some way from agreement.

Lastly, there is the curious problem of how to weave Japan into an

Atlantic charter. The United States remains determined to do this, even if it means a third declaration of principles. Among other things, the Nixon Administration is mindful of the fact that Japan, faced with an even greater oil problem than Europe, managed to avoid publicly siding with the Arabs. The real point of Mr Kissinger's suggested Atlantic charter was to show that the United States could strike agreements with its friends as smoothly and as quickly as with its enemies; that point has yet to be proved.

NEW YORK TIMES
29 November 1973

NATO After Yom Kippur

By William Safire

BRUSSELS, Nov. 28—What's the state of the Atlantic alliance, now that the reality of a Mideast war has called all the rhetorical bluffs?

In American eyes, some of our allies—whom American troops in Europe, still 300,000 strong, have been helping to protect for these past 23 years—ran out on us when the chips were down, cravenly caving in to Arab oil pressure and obstructing our efforts to resupply Israel at the crucial moment; on top of that, our NATO partners had the gall to complain when we put our own troops on alert to counter a Soviet threat to send their troops into the Mideast.

In European eyes, the superpower-crazed Americans—who have kept their troops in Europe to protect their own national interests, including \$28 billion of investments which return \$3 billion to U.S. investors every year—put their troops on a war alert without even notifying, much less consulting the countries in which those troops were stationed; on top of that, the new American Secretary of State added insult to injury by berating allies that have suffered far more than Americans in war, and who are directly threatened with the strangulation of their industries.

Some of the ambassadors in the suitably temporary NATO headquarters here in Brussels suspect the American pique to be an attempt to "hot up the situation so as to resolve it more quickly," a standard Kissinger play last exhibited in the Mideast; they view the current barrage of criticism

at them as the Kissinger technique of bringing grumbling to a head.

On that theory, Europeans expect Kissinger and Schlesinger of State and Defense—Mr. Outside and Mr. Inside—

ESSAY

to arrive at meetings here in two weeks with a kid glove slipped over the mailed fist, protesting: "You've got us all wrong. Our mild irritation was only with a couple of countries, not the whole NATO alliance, and even that was exaggerated in the press. As for the alert, you were right to be upset, and we'll see to it that you are properly notified in the future. Now about a statement of principles."

Anticipating the play, how will the Europeans react? They will play along laboriously helping to write a redefinition of the alliance, papering over basic differences in a way that will not begin to peel until the President announces his next trip to Moscow.

But what makes a "European" out of a Frenchman or Englishman or German is fear of domination by non-Europeans. Fear of the Soviets created NATO; this unifying fear has been replaced by fear of the loss of Arab oil and a nagging worry about Soviet-American collusion at Europe's expense.

Those newer European fears were exposed at the time of the Mideast war, and a fact that has been exposed must be dealt with differently from a fact that has long been tacitly understood. That is why, after the Yom Kippur war, NATO's alliance can never be the same: With the glue gone, all that was left was the habit, and now even the habit is gone.

What is to replace it? It makes no sense to denounce the nations of Europe as cowards for their fear of the Arabs now, when we embraced them as heroes for their fear of the Soviets not so long ago.

It makes not much more sense to pretend this has been a lovers' quarrel, reissuing Presidential statements of last May like "The United States

will not subordinate the security of the alliance to Soviet-American relations."

More sense would be made by introducing the fear of substantial U.S. troop withdrawals. Now that the Soviets are beginning—for the first time in years—to exert pressure on West European governments through local Communist parties, American influence would be more effective if our presence were not taken for granted.

Most sense of all would be to recognize that the Nixon-Kissinger approach to conducting world affairs—the bold stroke, the secret negotiation, the stunning surprise—has served its useful purpose; the time is coming for the trailblazing to be followed by trudging.

If the world were a great poolroom, Richard Nixon, the hustler for peace, would be putting all the billiard balls in a triangle, taking the woden frame away, placing his cueball named Kissinger in perfect position and then breaking the monolithic status quo with a sharp crack—leaving it to a methodical successor to put the dispersed power in the pockets.

The trouble with NATO is like the trouble with the U.S. Congress: It cannot be dealt with decisively, the way a leadership of China can. A committee of democratic governments, each made up of coalitions or bare majorities, is a frustrating, unnerving, self-centered group to deal with; and the great, bold strokes must be replaced by small stroking, tickling and prodding.

Is the Western Alliance worth the infinite patience required to maintain it, in the light of the way the European members flunked the solidarity test last month?

The answer is: yes. Pandering to greed, suffering foolishness, and swallowing ingratitude is part of the price Americans must pay in order to lead—and occasionally to manipulate—the motely agglomeration of mainly free people who make up the Atlantic Alliance.

THE ECONOMIST NOVEMBER 24, 1973

Paying for oil

Oil prices are going to go through the roof. The world, which has tried to turn a blind eye to this so far, had better start some hard thinking

The future price of oil is becoming at least as big a problem as supply. It is going to rise substantially; there is not much disagreement about that. There is disagreement only about how quickly the rises will come. It is now generally recognised that a sellers' market will exist well into the 1980s. Alternative sources of energy, including possible large new discoveries of oil outside the territories of the Organisation of Petroleum Exporting Countries, might then begin to provide some competition, but until they do it is difficult to see any economic counter-measure that could prevent Opec from pushing up prices to what it will.

Those oilmen who feel that the rises will come at a gentler rate go on some political calculations. They point out that, as always in these situations, the most important country is Saudi Arabia since it alone has large proven reserves that would allow it to put up production dramatically in short order. King Faisal, despite the leading part he has taken in the present Arab oil embargoes, is judged to be a generally conservative man who is fundamentally friendly to the west, particularly America. It is argued that once the Israeli-Arab war is settled he would be reluctant to create the international monetary and economic chaos that might follow from large, sudden jumps in the price of oil.

But most oilmen see the current running the other way, even politically. Saudi Arabia will be subjected to pressure on prices not only from radical Arab countries like Iraq and Libya but also from other Opec members, such as Iran, eager to increase their revenues as much as possible. Iran, among others, will probably push for a rise in the posted price when Opec meets in Vienna on December 17th. In the present mood, with the embargoes still in force, even the Saudis might not fight too hard against an increase, which would come on top of the 70 per cent on the posted price that Opec decreed in October.

Opec members may not be the only parties wanting higher prices. There are also many Americans who think that the Opec countries should be granted substantial increases. The most forthright spokesman among them has been Mr James E. Akins, formerly President Nixon's energy adviser and now the American ambassador to Saudi Arabia. Long before the Israeli-Arab war began, Mr Akins was predicting a price of \$10 per barrel by 1980. This is a long way up from even the present prices. For a barrel of a typical Arabian crude oil the posted price on the Persian Gulf is now \$5.11. The market price is \$3.65. Because of the telescoping of events lately there are some oilmen who maintain that \$10 per barrel, either in terms of the market or the posted price, may be with us long before 1980, perhaps in just another year or two. Even those who see prices rising gently predict that the market price will go up by \$1 a barrel during the next year, which, since Opec established a fixed, 40 per cent differential between the two prices in October, would mean \$1.40 on the posted price. The \$1 a barrel rise would mean a 27 per cent increase on the market price and in itself would mean that the major importing countries would have to pay \$10 billion more a year for the oil they buy from Opec. A market price of \$10 per barrel would mean the world would pay \$100 billion for its oil, \$64 billion more than at present, assuming it bought the same amount as it did in 1972. To put these figures in some kind of perspective, \$100 billion is roughly equal to four-fifths of Britain's annual gross national product. The problem is how the industrial west, let alone the undeveloped east, is going to be able to absorb

Growing with oil

% growth in gnp	% growth in oil consumption			% growth in oil imports		
	'60-'65	'65-'70	'70-'80	'60-'65	'65-'70	'70-'80
Europe	4.9	4.4	4.3	14.0	10.0	6.0
N. America	4.8	3.7	4.3	3.3	4.9	4.7
Japan	10.1	12.4	10.5	22.4	17.5	9.4

this kind of increase in basic energy costs. The answer is that many countries will not, and growth will suffer accordingly.

The American proponents of higher oil prices have taken their view for several reasons, not all of which they talk about publicly. They maintain that only steep increases will spur America and other industrialised countries to start a crash programme to develop alternative sources of energy, and such alternative sources are needed, they argue, if the world is going to avoid an energy crisis in the 1980s or 1990s when oil production, even assuming perfect co-operation from the Arabs, may not be able to keep pace with world demand. They are also aware that price increases will hurt America's commercial competitors, Europe and Japan, much more than they will hurt America. Both Europe and Japan are largely dependent on Middle East oil and will remain so into the foreseeable future with, of course, the major exception of Britain, which, thanks to the North Sea, hopes to become self-sufficient in the early 1980s. America, on the other hand, will be producing a large share of its oil domestically for many years. In addition, it possesses huge hydrocarbon reserves in coal and oil shale. The traditional close relationship between America and Saudi Arabia would be another advantage since Saudi Arabia would reap the lion's share of increased oil revenues and, because of its long-standing American banking ties, could be expected to funnel most of these funds back to America. This would mean, in effect, that a large share of America's investment capital would be originating from Europe and Japan.

This assumes, of course, that the Americans will be able to persuade the Saudis to take their oil out of the ground in exchange for funds that would have to be invested outside Saudi Arabia. There is much doubt over whether the Saudis will be so persuaded. If they are not, the oil would stay in the ground which, assuming a constantly rising demand for energy, would soon result in a big supply problem.

For developing countries like India, further price increases will be a cruel check to growth. Many of these countries will simply have to do without, a possibility about which some Opec members are becoming increasingly sensitive. Discussions have been held with a number of developing countries but so far the oil-producing nations, while expressing sympathy, have not been able to bring themselves to grant price concessions.

Rising prices during the next few years will hurt Britain as much as other countries. On top of the extra £500m a year that the recent 70 per cent increase will cost Britain for its oil imports, a \$1 per barrel rise would add a further £292m to the bill. If the market price were to shoot up to \$10 per barrel, the cost would jump to an annual £1.9 billion over the present bill. In a few years, though, when North Sea oil starts flowing ashore in quantity, every fresh price increase will help Britain almost as much as it does the Arabs. For a change the British Government will be faced with a pleasant economic decision: whether to allow the country to enjoy relatively cheap oil, thereby giving it a big advantage over its industrial rivals, or

whether to slap large taxes and royalties on the oil to bring up the price to world levels, thereby fattening the Treasury considerably.

For the oil companies, there will be a certain irony in the situation. North Sea oil is expected to cost about \$1 to \$1.50 a barrel to produce and pipe ashore. If the companies

were allowed to charge world prices for the oil, with no rise in taxes and royalties, some of them, including British Petroleum, would probably make larger profits than they ever did on the far greater quantities they have produced from the Middle East. However, the very size of the windfall makes that politically impossible.

THE ECONOMIST NOVEMBER 24, 1973

Should Japan panic?

Japanese are saying that the Arabs' oil cutbacks could bring their country to its knees. An exaggeration, perhaps. But the Arabs know a vulnerable target when they see one.

Tokyo grocers this week were selling out of toilet paper, sugar, washing-up liquid and even salt as quickly as they could restock their shelves. The run on lavatory paper has been going strong for about three weeks, which means for longer than serious talk of an energy crisis. It was traceable to seemingly unsensational reports of a worldwide scarcity of newsprint, which at the time had nothing to do with the Middle East. The Ministry of International Trade and Industry has not stood idly by. It helped to organise greatly increased deliveries of toilet rolls to the worst affected areas, and sternly warned retailers against profiteering.

A country which could react in that way to a threatened domestic inconvenience must be expected to react to an energy crisis with high panic. Some people in Japan have done so. Mr Tanaka has bent his country's foreign policy into a very low posture in a bid to climb into the favoured nation list of the Arabs. Officialdom is talking darkly of the economy plunging from 9½ per cent real growth recently to a complete standstill by spring. Individual industrialists are projecting output losses of anything from 6-8 per cent to a stunning 55 per cent. The motor car industry is talking of a production cutback of 17 per cent in 1974-75.

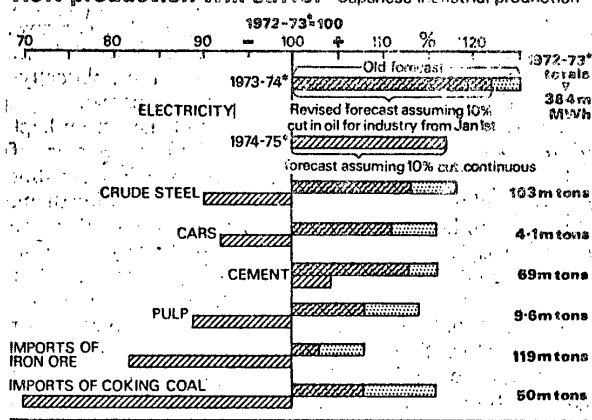
How realistic is any of this? It must be puzzling to American and European readers that a shortfall in oil supplies which is expected to cause little more than nuisance in their own countries—perhaps, on one set of guesstimates, a trimming of ½ to 1 per cent of gnp growth projections for next year—is supposed to spell such disaster in Japan.

The pessimists in Tokyo do have some grounds for worry. Imported oil (the bulk of it shipped from the Middle East by the oil majors) accounts for three-quarters of Japan's total energy needs, compared with roughly half of Britain's. Oil fuels 90 per cent of Japan's electricity generation, against less than 30 per cent of Britain's and under 20 per cent of Germany's. (It was one of Japan's postwar success stories to have run down its coal industry to almost nothing, in order to wrinkle out labour for export industries.) Tokyo reckons that Japanese businessmen have long been frugal users of fuel, and so cannot begin to match their less efficient western counterparts in making painless savings on wastage. And, at the end of the line, Japan has only some 59 days of oil stocks, against an estimated 70 days in Britain.

Another explanation for the cries of panic is an inter-departmental struggle in the Japanese government. The oil shortage has come at a moment when inflation of wholesale prices in Japan is running at an annual 17 per cent, and when real gnp is still expanding at annual 9½ per cent, despite a six-month-long credit squeeze. Miti, the department which will have to ration fuel, thinks that rationing will not work in an economy which is overheated. It therefore announced that rationing was likely to be accompanied by a new credit squeeze designed to cut Japan's rate of economic growth to zero in the first quarter of 1974. Significantly, the finance ministry did not confirm this,

and the credit squeeze has not been really tightened yet. Last Friday the Japanese government decreed merely

How production will suffer Japanese industrial production



a 10 per cent cut in fuel consumption by twelve industries. It did say that this was only part of a projected six point programme for dealing with the oil emergency. Other features, all of which have yet to be spelled out in detail, will be (1) voluntary fuel savings by the general public, (2) compulsory rationing of some items, (3) selective price controls, (4) various efforts to augment the fuel supplies, and (5) some restrictive measures of demand management.

The twelve industries whose fuel is cut back are steel, motor vehicles, shipbuilding, petrochemicals, electrical machinery, synthetic fibres, tyres, aluminium and other non-ferrous metal refining, cement, sheet glass, paper and pulp. All of them qualify by being within Miti's jurisdiction, by being large consumers of energy, and also prosperous. But a large slice of industry escapes direct control; the measures are likely to be imperfectly applied in the early stages; and public transport services, other than the airlines, are not to be cut at all. So Miti expects that between now and the end of the year Japan's oil consumption will in aggregate be only 6 to 8 per cent below what it would otherwise have been. It plainly regards this cut as insufficient.

It is likely to prove to be. And that probably is the main danger. Little or no value should be attached to such guesses as that the energy crisis means that Japan's total exports will decline by 5 per cent and its imports by 11.8 per cent in the year ahead—although these are the sorts of figures that have been churned out by Economic Planning Agency models. But if the government reacts to the harsh realities of the fuel supply situation only when it literally has no choice, then some sort of a real emergency could appear. In the short run Japan's imports of manufactures would no doubt remain at a high level. But imports of raw materials could be severely cut by a tightening clamp on the output of key industries.

If Japan is seriously hurt, the repercussions will be far and wide. They could be devastating for some. Even while

Europeans and Americans are congratulating themselves on the unexpected disappearance of some Japanese competition (as they soon may be), they should be acutely worried about a possible forced recession in the world's largest and fastest growing market for raw materials, and less large but also fastest growing market for manufactures.

WASHINGTON POST
17 November 1973

Dan Morgan

Controlling the Multinationals

For several weeks, some of the major American oil companies have been in the odd situation of helping Saudi Arabia police its petroleum embargo against the United States.

The U.S. companies, which control the bulk of Saudi oil installations, and also own or lease the tankers which carry the petroleum aboard, have pledged that not a single drop will reach American shores. They say they have no real choice except to play this game, since failure to do so would bring nationalization of their assets or a transfer of their holdings to British, French or Italian competitors.

Yet there have been few better examples of the ambiguous status of the world's multinational corporations—economic colossi which have sweeping impact on monetary stability, inflation rates, employment, balance of payments and even the internal politics of nations around the globe.

The ambiguities of multinational operations have inspired new efforts in the United States and in international organizations to learn more about these powerful corporations. The United Nations, the Organization for Economic Cooperation and Development, the European Common Market Commission, the U.S. Tariff Commission, the Senate Finance Committee and Sen. Frank Church's (D-Idaho) Senate Subcommittee on Multinational Corporations are among the groups which are studying the impact of the "MNCs" and what to do about them.

Rep. Sam M. Gibbons (D-Fla.), a member of the House Ways and Means Committee, has said that the object of new controls should be to "harness the great potential of these giants and make them responsible to public policy rather than put them out of existence."

He has suggested that a new international organization, a "General Agreement on Tax and Investment Policies" be established to harmonize tax, investment and antitrust policies toward the multinationals. Consumer advocate Ralph Nader has called for public disclosure of the holdings, taxes and other vital information of the big organizations. U.S. labor groups are demanding that tax laws be revised to equalize the advantages of domestic and international companies.

Behind these suggestions is an awareness that the aims of the U.S. government and the aims of U.S.-

owned multinationals are sometimes at odds. Senate staff investigators are now delving into the operations of U.S. subsidiaries in Europe, to see whether their various market-sharing arrangements inside the European Common Market pose a barrier against American direct exports. They are also studying the extent to which U.S. foreign subsidiaries may have helped weaken the dollar abroad by transferring their funds in large quantities out of dollars and into other currencies.

*The writer is on the national staff
of The Washington Post.*

Labor unions have zeroed in on the MNCs as a major source of domestic unemployment, charging that they provide jobs abroad which are needed here. Corporate leaders reply that the number of domestic jobs generated by their organizations has been increasing too.

The protectionist refrain is: Why should global businesses, especially those which are American in name only, receive waivers of anti-trust laws, extra-generous foreign depreciation allowances, tax deferrals and credits against American taxes for money paid to foreign governments?

One answer is that the multinationals also benefit the United States, through expanded trade, and greater access to world markets and resources. For instance, the big U.S. oil companies may be able to partially offset the Saudi embargo by diverting petroleum from their worldwide resources to this country. Also, an undetermined amount of the foreign earnings of multinationals is returned home each year, helping to offset the U.S. trade deficit.

But as the Saudi situation now shows, it is also questionable how "American" these giants really are. Mobil, International Telephone and Telegraph, Texaco, Caterpillar Tractor, Gillette, Colgate Palmolive and National Cash Register—all of these corporations now make half or close to half of their sales abroad, often through foreign subsidiaries.

Obviously, these far-flung operations make controls difficult. Senate investigators are looking into the way some corporations set up their own banks abroad—in the Bahamas, Luxembourg

and elsewhere—as deposit boxes for untaxed reserves. Oil companies which control drilling installations, tanker fleets and home refineries can shift their profit from one operation to another to pay the least taxes. There is evidence now that the companies are charging themselves high prices for their crude oil and taking a heavy profit on transportation. But since their tankers are registered in "havens" such as Liberia, Panama, and the Bahamas, the taxes are exceedingly low.

Many of the groups which are examining multinationals are focusing on the chaotic tax patterns which govern the firms. Often, the multinationals pay more to foreign countries than they pay to the U.S. The Senate Finance Committee reported in February that U.S.-owned corporations abroad paid \$5.7-billion to host governments on earnings of \$11-billion in 1970. But the U.S., after allowing various credits, collected only \$640-million from the same corporations—or about six per cent of taxable income compared with the 48 per cent statutory corporate income tax to which domestic firms are subject.

According to a report submitted to the House by Rep. Charles A. Vanik (D-Ohio), ITT paid Federal taxes in 1972 at a rate of one per cent. Three of the companies involved in Saudi Arabia, Mobil, Texaco, and Standard Oil of California, paid Federal taxes at rates of 2.9, 2.7 and 5.8 per cent, respectively, he claimed.

All of this is legal. U.S. law lets international corporations defer Federal income taxes on their foreign earnings until they are returned home—which sometimes is never. Still, the tax issue is an emotional one because the difference between the multinationals' tax liability and their enormous wealth and power is so great. (The book value of the foreign investments of U.S.-owned corporations is around \$90 billion.)

Yet national governments, including the U.S., have only begun to examine the impact of the giant supranational structures on their own policies and the outlook for extensive new controls seems bleak. The global thinking of the multinational executives is running far ahead of the narrower outlook of the men who govern the world's nation states.

WASHINGTON POST
26 November 1973

Total Oil Ban Not Ruled Out

Agence France-Presse

STOCKHOLM, Nov. 25 —A total shutdown of oil wells cannot be ruled out "if Western countries insist that Israel stay in occupied territories," the secretary-general of the Organization of Arab Petroleum Exporting Countries said in an interview

published here today.

Interviewed in Kuwait by the newspaper Svenska Dagbladet, Ali Ahmed Attiga said he did not think it would be necessary, however, to shut off the Western oil flow completely.

"We wish to cover Western Europe's needs for oil so that the Europeans will meet our need for technological knowledge," he added.

WASHINGTON STAR
25 November 1973

CROSBY S. NOYES

Bludgeoning Israel into Concessions

It is becoming clear that we are in for a terrible row with Israel. And if the reasons for the row are not clearly understood from the beginning, it could cause terrible damage here in the United States.

The reasons are quite evident to all concerned. After four wars in the space of 25 years, it is absolutely imperative that a peace settlement be reached in the Middle East. It is also inevitable that any peace settlement that stands a chance of being accepted by the Arab nations will be extremely disagreeable to a large number of Israelis, backed emotionally and politically by a large number of American Jews.

No peace settlement, of course, precludes the possibility of still another round of fighting between Israel and her Arab neighbors. What it can do and must do is make another round much more difficult for both sides. Presumably, if a settlement can be worked out, it will involve solid great-power guarantees of the new status quo.

In order to reach a settlement, the role of the United States will be both crucial and unpleasant. The Israel-

is, by and large, understand very well that a settlement has to be reached in order to avoid the perpetuation of the pattern that has existed since the foundation of the state. But many of them may well be unwilling to pay the price that will be required to bring an agreement about.

That price, realistically, will be something very close to a total Israeli withdrawal from Arab-occupied territory. It will quite certainly include the whole of the Sinai Peninsula in return for an Egyptian commitment to demilitarize the area. It will probably involve the presence of a United Nations force at such key points as the Suez Canal and Sharm el Sheikh, presently occupied by Israeli troops.

If an agreement can be reached with the Egyptians—where the territorial issues are easier to deal with—the other pieces of a settlement are likely to fall into line. Jordan's King Hussein is openly eager to reach an accommodation with Israel that will restore at least his nominal sovereignty on the West Bank of the Jordan River—quite possible as a semi-autono-

mous Palestinian state. The most difficult problem with Jordan will be the status of East Jerusalem. And it is hard to see any solution except in terms of some form of internationalization of the old Arab city.

It is impossible to foresee the outlines of a settlement between Israel and Syria. Given the intractability of the government in Damascus, it is conceivable that no agreement will be reached and that Israel will continue to occupy parts of the strategic Golan Heights. By itself, however, Syria would present no major military or political problem so far as Israel is concerned.

The point, however, is that the concessions from Israel that will be required to reach any kind of settlement with any of the Arab nations are likely to be enormously unpopular with Israeli voters. Which is why no real progress at a peace conference can be expected until after the elections in Israel in December. And it is also why maximum pressure from the United States will be necessary to get any concessions at all.

There are several hopeful factors in the equation. The latest round of fighting has shaken Israeli faith in the

proposition that national security depends on holding large amounts of Arab territory. It has also—thanks to the oil war—left Israel more isolated and more dependent on American support than ever and therefore, at least theoretically more susceptible to American diplomatic pressure.

But surely the most hopeful factor is the realization of the Israeli government itself that the chance for a real peace cannot be allowed to slip away this time. To the extent that concessions to the Arabs are unpopular, it will be a positive benefit for the government in Jerusalem to maintain that they were made under duress from Washington—a claim that has already been heard in connection with the ceasefire, much criticized by Israeli hawks.

Altogether, it is a tricky business which will demand careful management and a good deal of understanding on the part of the public. The unfortunate probability is that the Israelis will accuse the United States of selling them down the river, whether they believe it or not, and there will probably be plenty of Americans who will agree with them.

LOS ANGELES TIMES
21 November 1973

The Arabs' Oil Squeeze on Japan

No major industrialized nation is more vulnerable than Japan to the political blackmail that is the aim of the Arab oil embargo. Petroleum supplies 70% of Japan's primary energy, and 85% of all the crude oil Japan imports comes from the Middle East—some from non-Arab Iran, but most from the Arab states that have cut their production in an effort to strike indirectly at Israel.

This heavy dependence has given the Arabs the chance to squeeze Japan with particular harshness, and this they are doing.

The Arabs are now demanding that Japan sever its diplomatic relations with Israel, and it would not be surprising if Premier Kakuei Tanaka's government was forced to agree. Japan's official policy toward the Arab-Israel dispute has been one of strict neutrality, but the Arabs insist now on a visible tilt to their side. Under intense pressure from powerful business and industrial groups, which want to keep the oil flow to Japan as high as possible, Tanaka may have to yield to the Arabs' extortion.

The irony is that Japan has no special influence on or ties with the Israelis. Rather plaintively, the Japanese note that their Middle East policy is the same as that of the Common Market countries.

none of which—except the Netherlands, with its strong bonds of sentiment to Israel—is being punished as brutally by the Arab states or having as much demanded.

It is already clear that in the short term the oil blackmail is going to be paid, though whether a Middle East settlement on Arab terms will be the result is quite another matter. But it is also clear that expedient answers are seldom the best answers, whether in terms of durability or national interests.

North America, Western Europe and Japan together account for 60% of the world's industrial power, and they simply cannot afford to have their future economic growth held hostage to Arab oil supplies or Arab political demands.

At some point the decisions no one has wanted to make will have to be considered by the industrialized nations, whether for an oil-sharing arrangement in the face of shortages, or possibly even for a concerted counterembargo against the Arab states. There has been fear in Western Europe and Japan about even talking about such actions, but the time may soon be coming when national economic interests must override those

NEW YORK TIMES
21 November 1973

Oil: Alarms Growing in Europe and U.S.

Continent Worries About a Possible 1974 Recession

By CLYDE H. FARNSWORTH
Special to The New York Times

PARIS, Nov. 20—The cutback of Arab oil supplies, now running into its second month, is affecting the economies of European nations, and fears that it could trigger a recession next year are sending the stock markets of the Continent down about as sharply as in Wall Street. French, British, West German, Italian and Dutch share averages are all down 15 to 20 per cent over the last month.

The effects of the oil cutback are varied, depending on the country and the industry, but most economists are agreed that the slowing already in progress in most countries will be sharply accelerated unless the oil flow is resumed quickly. "I am operating under the assumption that the Arabs are going to play it tough," said Ken Mathysen-Gerst, president of Capital International, a Geneva-based financial house, "and that the impact on Western Europe, Japan, and, to a lesser extent, the United States, will be severe."

He sees Europe moving into

its worst recession since World War II.

Predictions Changed

Franz-Josef Trouvain, chief economist for the Deutsche Bank of West Germany, said the energy crisis had prompted the German Bank to recalculate growth projections for the German economy next year.

"We originally thought there would be a swing downward from 6 to 7 per cent this year to 3 per cent in 1974," he reported. "Now we see only 1½ to 2 per cent."

He sees the main effects so far manifested in a reluctance to buy new cars and says this will have repercussions on the textile, steel and rubber industries, which supply auto makers, as well as the auto makers themselves. The Ford Motor Company's Cologne subsidiary has already announced a 5 per cent production cutback.

Five European countries — West Germany, the Netherlands, Belgium, Luxembourg and Denmark — have banned Sunday driving, and this is not only cutting into demand for new cars but also is affecting spending in the small country hotels and restaurants that live on weekend trade from people in the big cities.

France Held Insulated

France has hardly been touched, and economists here, such as Jean Denise of the Banque de Paris et des Pays

Bas, think the country, which has suffered no oil cutbacks because it is considered a friend of the Arabs, is pretty well insulated from any immediate troubles.

"But obviously," Mr. Denise says, "Frenchmen cannot drive all over the place if everyone else in Europe is staying home." Jean-Marie Chevalier, a petroleum economist and a professor at the University of Grenoble, believes that if the oil crisis continues France will start feeling the effects on her industry by next March.

In Britain, which is cutting oil deliveries 10 per cent to protect essential industries and services, the effects so far also have been light.

But some industries, for instance bottle manufacturers, are afraid they will have to cut back. The Glass Manufacturers Federation estimates that up to 85 per cent of the glass-container industry uses oil for firing its furnaces. The industry believes output may have to be reduced 20 per cent.

Shipping Feels Pinch

Merchant shipping is feeling the effects of the squeeze because of a shortage of supplies of bunkering oil. "Unless a solution is found soon to secure the supply of bunker oil to the world's merchant fleet, the situation in world trade and economy will be quite intolerable," said A. Fredrik Klaveness, former chairman of the A. S.

Norske Shell Oil Company of Oslo.

The petrochemical industry of West Germany and the Netherlands, which use oil as a base product, is also suffering from the shortage.

Even if full oil shipments are resumed, by the end of the year, most economists believe there will be many temporary shortages and dislocations—and of course higher fuel prices—all of which will eat into company profits.

The oil-consuming nations have been considering jointly what they can do to alleviate the fuel crisis. But the situation will have to become much more critical before they will adopt a common program, it is felt.

At a meeting of the oil committee of the Organization for Economic Cooperation and Development in Paris, informants said that international oil companies, working closely with governments, are easing some of the shortages by shipping more non-Arab oil than usual. Most of the consumer countries are also acting to curb demand.

But even with all these measures, the picture is pretty bleak. With the biggest economy in Europe, West Germany faces prospects next month of getting 25 per cent less oil than it expected, and Britain some 15 to 20 per cent less.

CHRISTIAN SCIENCE MONITOR
16 NOVEMBER 1973

Mideast crisis strengthens French voice in Europe

By Takashi Oka
Staff correspondent of
The Christian Science Monitor

Paris

American actions during the Middle East crisis have put France in the driver's seat in intra-European efforts to hammer out a joint stand on transatlantic relations, diplomatic sources here believe.

Despite efforts in all major European capitals to play down reports of rifts with Washington, relations between the United States and its European allies have a long way to go before they recover from the shock of last month's nuclear alert and Europe's exclusion from the Middle East peacemaking process.

Assistant Secretary of State Joseph J. Sisco, in an exhausting rush trip through Western Europe this week, has made a valiant attempt to explain how Secretary of State Henry A. Kissinger mediated between Egypt and Israel and persuaded them to sign this week's agreement implementing the Oct. 22 and 23 cease-fire. But the

sourness has not gone out of transatlantic relations.

France, always most suspicious of American motives and actions among the nine members of the European Economic Community, can now say, "I told you so" to its European partners. The French thesis, since the days of Gen. Charles de Gaulle, has been that the two superpowers, Moscow and Washington, will always look out for their own interests ahead of those of their allies.

To this thesis has been added a new twist since President Nixon stepped up the pace of East-West detente through his visits to Moscow and Peking. This is that the United States gives far more weight to detente and or confrontation with Moscow than protecting the interests of its allies.

French diplomacy, headed by brilliant, incisive, coolly calculating Foreign Minister Michel Jobert, has been active in every EC capital, abstaining as far as possible from pushing a particular thesis or policy as "French." The effort, rather, is to

hammer out a "European" policy that can be presented to Washington as a joint stand of the Nine.

Whereas in the past, the British, the Dutch, the West Germans, and others sought to soften French insistence that Europe should assert its distinctness from the United States while remaining in military alliance with it, now, diplomats report, more and more capitals are tending to echo the French view.

Whereas before the Middle East crisis, President Pompidou was casting about for some plausible reason to promote more frequent summit meetings among the EC Nine, the shock of October's event has now made such a summit meeting seem natural and even overdue.

It will take place in Copenhagen, Dec. 14 and 15, hard on the heels of a North Atlantic Treaty Organization meeting Dec. 10 and 11 in Brussels at which the so-called "new Atlantic Charter" was to be declared.

A companion document being worked out between the EC and the United States on the economic aspect of transatlantic relations has gone through rough sledding. The EC opposes American amendments to a European draft, designed to make the document more specific.

President Nixon's withdrawal of a

CHRISTIAN SCIENCE MONITOR
28 NOVEMBER 1973

Canadian oil shortage adds to U.S. troubles

By Don Sellar
Special to
The Christian Science Monitor

Ottawa

Worried about oil shortages of its own this winter, Canada is being forced to restrict the flow of crude oil to an energy-thirsty America.

And since Canada is the main source of imported oil, for the U.S., that could hurt in America's cold North and Midwest.

While the forces of economic nationalism play a part in this "Canada first" attitude, it is an exaggeration to say most Canadians enjoy their new role as "blue-eyed Arabs."

The simple fact is that eastern Canada could be short up to 200,000 barrels of oil a day this winter — an intolerable situation in a country supposedly self-sufficient in energy resources.

Canada produces about 2 million barrels of oil daily, most of it in the foothills province of Alberta, and it ships nearly half that production to the United States.

Eastern Canada, meanwhile, must depend upon offshore crude, mainly from Venezuela and the Middle East, and now faces shortages of up to 20 percent as a direct result of the Arab oil cutbacks.

Pipeline extension blocked

This irony of shortages amid export surpluses is a grave embarrassment to the minority Liberal government of Prime Minister Pierre Elliott Trudeau, who must cater to the whims of two opposition parties to remain in office.

For a decade, the government rejected proposals for the extension of western Canadian pipeline facilities to Montreal as a guarantee of eastern market supplies in the event of oil supply interruptions abroad.

Its reasoning was twofold. First, domestic crude was more expensive than the imported product in the days before the Arab boycott. Second, there was hope, now a fading one, that

oil would be found on the Atlantic coast, close to the eastern market.

The failure to obtain a Montreal pipeline prompted Alberta to fight its way into the U.S. market as a means of developing its oil fields. This was a difficult chore in the days of tight American oil import restrictions.

By this fall, however, Canada had become the chief source of imported U.S. oil, winning about 6 percent of the American market.

But since March, mounting concern about domestic oil shortages has prompted Canada to restrain the flow of crude and refined products to the U.S. Nevertheless, September deliveries of crude set a record when they reached 1.3 million barrels.

U.S. treads carefully

In December, the tightening Canadian supply situation will force a cutback to slightly less than 1 million barrels daily.

On the surface, the U.S. has been sympathetic toward Canada's supply dilemma. Underneath, it appears as though the Nixon administration is trying to tread carefully with the Trudeau government in the hope of gaining long-term access to future production from the Alberta oil sands and perhaps natural gas from the Canadian Arctic.

Monday night, the Canadian oil supply crisis, which is considerably milder than the U.S. one, produced mild voluntary energy-saving advice from the Trudeau government, with the prospect of some mandatory allocation of oil at the wholesale level in the new year.

It is obvious to most Canadians that the only way they can avoid domestic oil rationing in future is to shift oil from the U.S. Midwest to Montreal.

The Trudeau government is committed to build the badly needed pipeline extension to Montreal by the end of 1975, although it could be held up by U.S. regulatory bodies such as the Federal Power Commission since the existing pipeline from the West traverses U.S. territory and it would have to be upgraded.

trade bill that would have given him needed authority to negotiate tariff cuts with the Europeans and others has strengthened the French argument that the United States is primarily interested in relations with the Soviet Union.

The reason for the withdrawal, it is said, is that the White House does not want to risk defeat of a provision giving most-favored-nation treatment to Moscow.

The sourer France's European partners feel about the way Washington seems to be treating them, some diplomats feel, the readier they may be to fall in with French arguments that Europe needs a political secretariat, distinct from EC headquarters in Brussels, to coordinate its own political decisionmaking.

The French have made no great secret of their view that this secretariat should be in Paris.

WASHINGTON STAR
28 November 1973

U.S. Won't Get a Look At SAM 6

United Press International

U.S. military officials had hoped to get a look at the guidance system of the Soviet SAM6 missile as a dividend of the latest Arab-Israeli war but the Israelis failed to capture any of them intact.

A Pentagon source said the Egyptians did not abandon as much useful gear on the battlefield as in the 1967 war when they were forced to make a nasty retreat.

American military officials had been openly hoping the Israelis would capture a SAM6 intact so that U.S. technicians could examine its radar guidance system and develop a system to jam the control electronics.

But this time the Egyptians took the vans containing the guidance system with them as they withdrew.

The SAM6 was generally considered the greatest threat to Israeli aircraft operating over the Suez area because it was much more difficult to jam than the SAM2 missiles American planes faced over North Vietnam.

About 17 percent of the U.S. planes lost over Vietnam were downed by Soviet-built missiles. U.S. sources said the SAM6 was a much more effective weapon because it was designed to hit low-flying aircraft.

WASHINGTON POST
21 November 1973

Joseph Alsop

Oil Blackmail Threatens U.S. Independence

The energy crisis is in danger of becoming the other horror story of the second Nixon administration. The Arab oil embargo on this country is proving all too successful. Its enforcement is even being policed by the big American-owned oil companies.

Available supplies are therefore close to 20 per cent short of total U.S. demand for oil fuels before the embargo. As any fool can see, this kind of supply-demand relationship must soon cause acute shortages. New England will pretty certainly be freezing before Christmas. Soon thereafter, the whole country will feel the full effects of the biggest, most painful single problem ever met with by the U.S. in peacetime.

Yet this enormous problem finds the U.S. government divided and irresolute, and the Congress rather more footling and feeble than the executive branch. In the administration, the chief immediate bone of contention is whether to have some sort of rationing.

As is well known, both Secretary of the Treasury George Shultz and the President's Council of Economic Advisors are strongly opposed to rationing. They want more allocation, plus higher prices, to serve instead. Secretary of the Interior Rogers Morton, meanwhile, is strong for rationing. But the real swamp of indecision is among the President's energy specialists, headed by Gov. John Love.

Governor Love is a handsome, amiable fellow who has notorious difficulty making up his mind about anything. It is pretty obvious the White House already hankers to replace this impossible substitute for the energy-czar who is now so badly needed. As to Governor Love's staff, it is enough to say that his chief staff member is the author of President Nixon's energy message of last January, Charles DiBona.

A tough, forthright January message could have made the President the hero of the energy crisis, in contrast to a "do-nothing Congress." Instead, the message was watered down to a damp squib by DiBona and John Ehrlichman. The latter also chose both DiBona and Governor Love to be put in charge of the energy problem. Even in the Watergate horror, Richard M. Nixon has

rarely been worse served.

The result, in fact, is that the politically beleaguered President has been left in the wrong posture to deal with this appalling crisis and with no real instrument for the purpose, and with conflicts of view among the highest policy-makers.

Furthermore, the argument about rationing may dominate the energy scene at the moment, but is far away from the central point of the energy crisis. The central point is both grim and simple. Whether or not we have rationed oil fuels, we have got to begin paying much, much higher prices for energy in all forms.

The only alternative to much higher energy prices was suggested at a recent meeting of state officials from Colorado, Wyoming, and the other Western states which contain the largest U.S. reserves of easily mined coal as well as oil shale. These states now have to face being literally excavated. They do not like the prospect. Hence one official, currently running for the Wyoming governorship but to be kept nameless, actually made the all but incredible statement:

"Maybe the time has come for the U.S. to destroy Israel, in order to safeguard American oil supplies from the Arab countries."

The monstrous anecdote serves to dramatize the real American stake in the energy crisis. The stake is nothing more nor less than the political and strategic independence of the United States.

To preserve American independence, surely, any decent American ought to accept gasoline at a dollar or even \$1.25 a gallon—which is the current gas price in West Germany. Much higher energy prices are unavoidable, in turn, in order to make it profitable to exploit the huge alternative energy-sources the U.S. luckily possesses. The main ones are oil shale and coal, of course; and if these are not exploited to the utmost, we cannot be independent.

For this purpose, the needed investments may easily run above \$100 billion in the next 10 years. Obviously, moreover, investments on this scale are never going to be made, without some sort of guarantee of long-term price stability at the new high level. There will never be a huge American oil-shale industry, for instance, without solid protection by import taxes or in other ways. The Arab states have to be prevented from destroying this novel competition overnight, by arbitrarily cutting their own oil prices for a while.

Meanwhile, however, with national independence quite clearly at stake, no one seems to worry about anything but the Watergate horror. And this is even true of the President!

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WASHINGTON STAR
28 November 1973

Israelis Banking in Gratitude

As a gesture of appreciation for American assistance, Israel is increasing its foreign currency reserves in the United States, at the expense of Europe.

According to an Israeli source, the amount of money being shifted is relatively insignificant — "a couple of hundred million dollars." But, the source remarked, "America was so helpful to us . . . It would be proper that we invest as much as we can" in the United States.

At the same time, Israeli sources emphasized that Israel was not trying to punish Europe for its tilt toward the Arab position during and since the latest Mideast war. The withdrawal "of a couple of hundreds of millions from so many countries . . . the effect is minimal," one official said.

In fact, he noted, Israel could feel the pinch because the funds, put in short-term liquid accounts at American banks, are expected to draw a lower interest rate than if they were left in European banks.

The transfer of the funds, which are held in the currency of the country where they are on deposit and used for various purposes, is being accomplished in two ways.

Some funds are being exchanged from European currencies into dollars and transferred to the United States.

Another method is to allow dollars collected here — through the United Jewish Appeal, for example — to remain in the United States rather than to shift them overseas for purchases in other countries. Reserves held in other countries then diminish as they are used for such purchases. —THOMAS DIMOND

NEW YORK TIMES
23 November 1973

Kissinger's First Ten Weeks

By James Reston

WASHINGTON, Nov. 22—In the ten weeks since he became the 56th Secretary of State of the United States, Henry Kissinger has covered more miles, visited more countries, answered more questions, and probably consumed more food and proposed more toasts than any of his predecessors since John Foster Dulles.

Already in these ten weeks, he has gone through the Middle East war, a scary worldwide military alert against the Soviets, innumerable sessions with other foreign ministers at the United Nations, and endless meetings with members of Congress, his new colleagues in the State Department, and his skeptical watchdogs of the press.

It has been an impressive performance, but it's hell on the nerves, the mind and the waistline, and, unless somebody invents the 48-hour-day, you have to wonder how long he can sustain this punishing pace.

Henry Kissinger didn't get where he is today because he was a great personality, or traveler, or insider, but precisely because he was an outsider.

WASHINGTON

who had time to think and was in touch with other loners who were reflecting on the basic purposes and vital interests of the nation.

Now he is caught up in a tangle of problems which require more time than he has and also require, as he says, at least "a modicum of confidence between the public and the responsible officials." And he is appealing to press and public to give him a chance to work things out.

It is a fair enough request but it is not going to be easy, for he has been saying some things lately that require more than a "modicum of confidence." For example he said at his last press conference that United States policy in the Middle East would not be influenced by the Arab oil embargo, but the fact is that American policy is clearly being influenced at every corner gas station, and Mr. Kissinger is now leaning heavily on the Israelis in private to hurry up the negotiations and make substantial concessions to the Arabs to lift the embargo and get a Mideast settlement.

Also Mr. Kissinger has been warning the Arab states publicly but gently that the United States would have to consider "countermeasures" if the Arabs continue their economic warfare. But again the fact is that Wash-

ington has few countermeasures and cannot mount an effective counter-embargo against the Arab states without the cooperation of the other industrial nations, who won't go along.

Meanwhile, Mr. Kissinger is refusing to explain, as he promised to do, what the Soviet Union threatened during the Middle East crisis, which justified putting U.S. forces all over the world on "alert." Did Mr. Brezhnev say he "might" or that he "would" send Soviet airborne troops into the Middle East? Did Mr. Brezhnev actually send atomic weapons into Egypt? Mr. Kissinger says he has no "confirmed" evidence that this was the case. He is merely asking for public trust.

Nevertheless, though Mr. Kissinger is appealing for "confidence" in an Administration that has little confidence, he has earned in his Peking and Moscow missions a right to try to work out an accommodation in the Middle East. For, to a large extent, the easing of the fuel shortage in the United States depends on the negotiations for a peace settlement in the Middle East, and this in turn depends probably more than it should on the integrity, judgment and negotiating skill of Secretary Kissinger.

You can cut your speed to fifty miles an hour and knock back your heat to 68 degrees at home—what a sacrifice!—but unless Kissinger gets the Arab-Israeli talks going in a hurry and persuades both sides that an accommodation is better than more military wars and an expanding economic war, the non-Communist industrial nations will quickly be up against an economic recession.

Maybe this is what Moscow wants. Having failed to keep up with the computer revolution in the advanced industrial nations, the Soviets could be using their political influence in the Middle East to cut down production in the West and in Japan. But we won't know that until the negotiations between the Arabs and the Israelis get going, and here Mr. Kissinger's role is both critical and awkward.

"If one looks at history," he told the press the other day, "and sees how often it has happened that wars have been produced by the rivalries of client states, without a full consideration of the worldwide issues... the overriding need of finding a solution to the problem of worldwide nuclear war becomes overwhelming. This is the central question of our period, and it is a problem that will have to be solved either by this group of officials or by their successors. But it cannot be avoided."

It has been a long time since any Secretary of State has dealt in public with so many dangerous and ambiguous questions under such difficult circumstances at home and abroad, and if the energy crisis is to be eased this winter or the Middle East is to reach some kind of understanding, Mr. Kissinger is probably the main hope. But he needs some public support and he needs some rest.

WASHINGTON POST
9 November 1973

Stephen S. Rosenfeld

Realities Of Parity And Detente

The Soviet Union's sponsorship of the fourth Arab-Israeli war has stirred a broad review of the basic premises and possibilities of "detente." Perhaps it would be more apt to call it a first close look. The Soviet intervention in Czechoslovakia in 1968 provides a useful benchmark.

The intervention in Prague had a rationale—to keep the Soviet bloc from unravelling—no less comprehensible, for the offensiveness of the policy, used to support it. The motivation for Soviet policy in the Mideast was, however, strictly imperialistic: throw Soviet weight around in a place of no significance for home-bloc security or welfare.

In Czechoslovakia, the Russians could safely deploy their troops as though for a containable local operation, without worrying of a Western military response. In Egypt and Syria, the Russians performed a far more ambitious military operation involving a formidable aerial resupply effort and deployment of an impressive fleet, all of this supported by the great strategic forces they have put into place since 1968.

Then, the Czech intervention took place at a pre-detente time when relatively few Americans were disposed to expect a moderate Soviet policy. By contrast, the latest Mideast war broke out at a time when most Americans probably felt that the proclaimed successes of detente had markedly reduced the chances for an adventurist Soviet policy, especially for an adventurist policy discomfiting the United States.

The fundamental liberal premise about Soviet policy has been that the Soviet Union would begin to act "normally" and responsibly on the world stage, once it had achieved rough strategic and political parity with the United States and once that achievement had been recognized by Washington.

No one can deny that in 1973 Moscow has attained such parity. There is the evidence of two summits that the United States accepts it as a fact. But the Soviet Union did not act "normally" and responsibly in this latest war. In particular, it knew—everyone knew—that the Nixon administration was cranking up a major diplomatic initiative for a settlement, but it did not allow that initiative to run its course or even to get off the ground.

To be sure, those who never accepted this liberal premise in the first place can and do fairly contend now that it failed in a crucial test. Those whose prime foreign-policy interest is to assure a steady flow of arms and support for Israel tend to accept this contention, however much it embarrasses their other views on world prospects and domestic spending priorities.

TIME

3 Dec. 1973

Risky Road of Retaliation

ties. Those who had been hunting any way for arguments supporting the administration's defense proposals have got them in spades.

To grant that detente has been crippled or discredited, however, is a judgment laden with so many harsh implications for the kind of world and the kind of country we live in, that it must be approached only with the greatest care. There are other circumstances to consider.

In the Mideast last month, the Russians did a good deal less to help their allies drive a foreign army off their territory than the United States did for a similar purpose in Vietnam. By those American standards, the Soviet role was limited: no troops, despite the scare about them on Oct. 25, and no bombs. Or should the American position be that we are entitled to do certain things for our friends that the Russians are not entitled to do for theirs?

For many Americans, the startling and new factor in the Mideast war was that Moscow revealed and used in a local operation a great-power military capacity, including a tacit backup of strategic weapons. We aren't accustomed to it; we don't like it at all. But this is what the reality of "parity" is all about. Soviet power had now been reflected not only in summit documents but in capability on the ground. American power is no longer the dominant outside influence in local contests. We will be years working this out in various places with the Russians. A sober response, not panic, is indicated.

Finally, it is shortsighted to divorce the war from the particular grievance which produced it—Egypt's and Syria's loss of territory to Israel in 1967. This grievance went untreated before October. Israel and the United States were of the view that there was still time for diplomacy. One can bemoan or curse the fact, but the outbreak of the war proved they were wrong. In the best of worlds, detente would be forgiving of such failures of judgment and political will. In the real world, forgiveness cannot be expected. It is illusory to expect the kind of detente to spare nations from the consequences of their own mistakes.

To improve relations between the great powers, the principal matters in conflict between them should be eased. First on the list is the Mideast. Fortunately, this can be done without either great power's sacrificing the legitimate interests of its local allies. Secretary of State Kissinger is quite right to say that a settlement is the real test of detente.

Whispers about retaliation against the Arabs have been heard since the beginning of the oil boycott, and last week Secretary of State Henry Kissinger voiced them out loud. In a press conference, he warned that if the embargo continues "unreasonably and indefinitely, the U.S. will have to consider what countermeasures it will take." Saudi Arabia's Oil Minister Ahmed Zaki Yamani promptly replied that the Arabs might then cut oil production by 80% rather than just 25%, and destroy the economies of Europe and Japan.

There are indeed countermeasures available to the U.S., but they are likely to prove either ineffective or disastrously risky. They fall into three classes:

ECONOMIC. The U.S. could stop exporting to the Arab countries the hundreds of millions of dollars of food and manufactured goods, such as autos and refrigerators, that the Arabs buy each year. That, however, would be totally ineffective unless the U.S. could persuade its European allies to join in the boycott. Otherwise, the Arabs could easily buy all the manufactured goods they need from Italy, France, Yugoslavia and other European countries. Right now the Europeans are so disunited and so eager to curry favor with the Arabs that they are talking about retaliation not against the Arabs but against one another. A concerted Western boycott on manufactured goods would hurt the Arabs, but the West needs Arab oil more than the pre-industrial Arab states need modern manufactures. As for food, Agriculture Secretary Earl Butz pointed out last week that the Arabs could readily replace U.S. grain with grain bought from the Soviet Union, which has enjoyed a record harvest this year.

The U.S. could try to freeze Arab oil money; about half of the \$7 billion that Saudi Arabia and Kuwait have on deposit in the West is in U.S. banks. But much of that is held by European branches of the American institutions—and the Swiss government, for example, is unlikely to permit Swiss branches of U.S. banks to block Arab funds. Moreover, unless the freeze was accomplished almost instantaneously, the Arabs could sell their threatened dollars for gold or other currencies, destroying the strength that the dollar has only lately begun to regain after two devaluations and a long siege of selling.

POLITICAL. The U.S. could withdraw its military mission from Saudi Arabia, possibly troubling King Feisal, who has running difficulties with the Iraqis and South Yemenis, but the French would be happy to send a military mission as a replacement. The U.S. could also refuse to sell Saudi Arabia some 30 Phantom jets it has been dickering for. That would only confirm an apparent Saudi

decision to buy French-made Mirages instead.

There is some talk among European and U.S. politicians and businessmen of an effort to get the United Nations to declare Arab oil an "international resource," which would be thrown open to all buyers under U.N. supervision. But such a resolution would never pass the General Assembly, where poor countries hold the voting majority.

MILITARY. Unhappily, the one countermeasure that would be effective would be invasion and occupation of the Arab oilfields. The U.S. could easily defeat the Arab armies, and though the Arabs would probably blow up the wells, the technology of oil production in the desert is so simple that the U.S. could get some oil flowing again. Setting aside all moral considerations, however, such a course would carry a cataclysmic risk. Unless the Soviets agreed in advance to look the other way—not a likelihood—military action could ignite World War III for the U.S. and the Soviet Union. Even if the Soviets did not intervene as protectors of the Arabs, occupation of the fields would let the U.S. in for an endless guerrilla war.

The most effective strategy that the U.S. could adopt is also the most constructive: continuing its efforts to broker and guarantee a peace settlement between Arabs and Israelis. The Arabs recognize one key political reality: a U.S.



SAUDI OIL MINISTER AHMED ZAKI YAMANI

that is angry at Arab intransigence may not pressure Israel as hard to make concessions as a U.S. that has been given reason to believe that movement toward peace will get the oil flowing again. To his credit, Kissinger realized this also: he urged the Arabs to lift their embargo when an Arab-Israeli peace conference opens, as is expected next month. He won support from Shah Mohammed Reza Pahlavi of Iran, which has continued to sell oil to the U.S. The Shah counseled his fellow Moslems in the Arab oil states to lift the embargo now that the shooting war with Israel is over. "Petroleum is like bread," said the Shah. "It must not be cut off during peacetime."